

we have, when she chartered a bank with seven millions of additional capital.

It is known that Tennessee and Virginia bind on our south border more than three hundred miles, and that their towns near our limits, not now supplied with banks or branches, will be supplied from this great increase of capital. Indeed, Nashville, the seat of this great bank capital, is within forty miles of our limits. While on our northern border, Ohio, Indiana and Illinois have within sight of our territory, placed banking capital at every commercial or business point, from the mouth of the Great Sandy to that of the Ohio.

These States, under their fiscal agencies, are, not only each within itself, filling up all its channels of circulation, but progressing with vast schemes and plans of internal improvements, while on the other hand, our State has fixed its banking capital less by two-thirds, considering her business, than either of those States, and this capital principally concentrated at Louisville, has been used up there to such an extent, that the banks of Lexington and Louisville have not the ability to furnish the necessary credits to other parts of the State, if they were desirous of doing so. In making this remark, I mean no reflection on the State banks or the bank of Louisville, for their cautious policy in making issues—it is right they should use caution to sustain the credit of their paper; but I mean to say that, considering the vast amount of capital other States have that surround us, and the incautious manner in which charters have been granted to those banks by the state, they have not and from their condition they cannot supply the whole State with a currency. The Legislature intended well in incorporating the Northern Bank. It was the avowed object of the applicants for that Bank to extend the banking system equally to every part of the State, so as to give an impetus to the whole labor of the country. But the stock of that Bank fell into the hands of eastern merchants, who owned also, the stocks of the State Bank and Louisville Bank, and hence the object the Legislature had in view, in passing that charter, was measurably defeated, by the directors of the Bank of Kentucky and the Northern Bank swapping branches, and the Northern Bank failing to send any capital whatever south of Green river. Thus it has happened, that while Louisville and Lexington, and the country immediately around each, have been supplied with aids in carrying out the produce of the State, vast and extensive portions of our country have been left to suffer, or to apply to Ohio, Indiana, Tennessee or the Virginia Banks for the means of credit and exchange thereby rendering our citizens tributary to those States instead of their own State, to carry on their commerce and business; and thus it is, that the paper of other States now form a principal part of our medium; and thus it is, fellow-citizens, that while these States are flourishing and pushing their works of internal improvement, upon the most extensive scales, our Legislature is warned by our Executive that our credit will not allow of the com-