THE BIRTH OF A POLITICAL ECONOMIST:
MATHEW CAREY AND THE RECHARTER FIGHT OF 1810-1811

By Edward C. Carter, II*

In recent years, Mathew Carey, once of interest only to a few literary and economic specialists, has been awarded his proper position as a major architect of American nationalism by those scholars who are re-examining the general political, economic, and social history of our early National Period. Carey was born in Dublin in 1760 and was trained as a printer and a bookseller. A Roman Catholic, he edited, during the Volunteer Movement, the most radical newspaper in Ireland, which advocated universal toleration, parliamentary reform, and the abolition of the Penal Laws. Carey fled to Philadelphia in 1784 to avoid arrest by the British authorities after he had urged his countrymen to emulate the American Revolution.

The years between his arrival and his death in 1839 saw Carey prosper and become one of the most influential men in the United States. He enjoyed not one but four distinguished careers. From 1785 through the election of 1800, Carey was an active and effective publicist and political propagandist, first in the service of the Federalists and then, after 1794, in that of the Jeffersonian Republicans.

*Dr. Carter, formerly of the Philadelphia Athenaeum, is now teaching at St. Stephen's School in Rome.

1 For example, see the balanced judgment of Carey's labors on behalf of a nationalistic economy found in Glyndon G. Van Deusen, The Jacksonian Era, 1828-1848 (New York: Harper, 1959), pp. 18-19. Professor Van Deusen states that "Carey's influence was enormous."

The basis of his political power and personal wealth was his amazing publishing and bookselling business, which boasted the most extensive distribution system then known in America. Long before he retired from business in 1822, Mathew Carey was considered to be the great publisher of the young Republic; today he is regarded by scholars such as Professor Robert Spiller as having been a major factor in the development of an American literary tradition.

Throughout his adult life, Carey was vitally concerned with the condition of mankind, and he was honored as a humanitarian and social reformer. In the final decade of his life he turned from a purely active participation in this field to theoretical writing, producing notable papers on slavery, the nature of pauperism and its relief, and the relationship between "Female Wages and Female Oppression."

Finally, between 1819 and 1833, Mathew Carey became the most prolific writer of economic literature in the United States. He flooded the nation with hundreds of thousands of copies of his numerous nationalistic pamphlets. Together with his great friend Hezekiah Niles of Baltimore, Carey created the statistical and theoretical foundations for Clay's American System. While this paper investigates Carey's first, crude effort as a political economist, it should be recognized that all four of his careers were interrelated and directed towards a common goal, the creation of an enlightened and unified nation that would illustrate to the rest of the world the value of democracy.

That Mathew Carey entered the field of political economy through his participation in the Bank recharter fight of 1810-1811 is not surprising in light of his previous experience, both practical and political, with American banking institutions. One of the most violent controversies that agitated the Pennsylvania legislature between the enactment of the state Constitution of 1776 and the motion to call a convention to consider the proposed federal Constitution of 1787 took place from March 29 to April 1, 1786, as the radical Constitutionalists defeated the conservative Republicans' attempt to recharter the Bank of North America.3 Carey as editor

of the Pennsylvania Evening Herald had already made his mark in American journalism by publishing the first verbatim legislative debates in the nation. The radicals, who felt Carey was generally sympathetic to their causes, wanted him present to report the proceedings, but the conservatives were able to exclude him temporarily from sitting on the floor of the house. Carey published the proceedings fully in his paper and then gathered his reports into a single volume, dedicated to Franklin, which was sold throughout Pennsylvania and today remains the prime source of information concerning that fierce struggle. Carey gave a complete coverage to both sides of the question, and the Republicans, ably led by James Wilson, clearly made the better speeches and presented their case more logically. The widespread popularity of Carey's Debates was a major factor in returning the Republicans to power, thus allowing them to pass the Re-Incorporation Act of the Bank of North America on March 17 of the following year. For Mathew Carey, the entire affair was highly educational; for the remainder of his life, he was to be a staunch supporter of sound fiscal and banking principles.

In due course, Carey became a strong advocate of the writing and adoption of the United States Constitution. His famed magazine, The American Museum, was a repository of Federalist propaganda, and following the lead of Tench Coxe, Carey pumped for the enactment of Hamilton's domestic legislation. It was the New Yorker's seemingly pro-British foreign policy that drove Carey into the party of John Beckley and James Madison in 1794, for the Irish publisher never questioned the constitutionality or utility of those Federalist measures that other Jeffersonian Republicans damned: Assumption, Funding, and the Bank. By the mid-1790's Carey was the largest importer of foreign books in the country, his network of agents and correspondents was established in every state, and he understood as well as any businessman in America the importance of a sound and flexible credit system.

Carey, who was recovering from a leg wound received in a duel with Eleazer Oswald, could not sit far distant from the fire on the floor. For the radicals' plan to seat him on the assembly floor see Arthur Bryan to Carey, February 25, 1786, Lea & Febiger Collection, Historical Society of Pennsylvania (hereafter referred to as L & F Coll., HSP).

As early as 1791, he was being taught the relationship between politics and the flow of that credit. John Beckley, the clerk of the House of Representatives and the "party manager" of the evolving Jeffersonians, saw that Carey was rewarded for publishing an anti-British commercial pamphlet, by ironically urging the American consul in London to secure credit among the bankers of that city for the Philadelphia publisher. Six years later, Carey found that the blade could cut two ways when the Federalists cracked down on him financially for secretly subsidizing his brother James's radical Republican paper, the United States Recorder, and organizing the Irish throughout the nation to vote for Jefferson. The Bank of the United States had been discounting on a weekly basis the state bank notes that Carey received from his agents and customers; in 1798, he was granted only one discount between March 15 and April 16.

This pressure merely caused Carey to play a more clandestine but no less effective role in the politics of Pennsylvania and the nation. He gathered political intelligence throughout the country; wrote, published, and circulated Republican propaganda; and continued to marshal the Irish vote. In this work, he was closely associated with William Duane and Congressman Michael Leib, the future leaders of the radical wing of the Pennsylvania Republicans. Leib was an old acquaintance of Carey. American born but Irish raised, Duane had become the editor of the Aurora upon the death of Carey's close friend Benjamin Franklin Bache. Carey's and Duane's backgrounds and temperaments were too similar for their alliance to last. The former disapproved of the latter's marriage to the Widow Bache in 1800; the latter was extremely jealous of the former's business success. Their latent hostility exploded for all the world to witness a decade later during the recharter conflict.

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1 John Beckley to Joshua Johnson, United States Consul at London, October 6, 1791, L & F Coll., HSP.
2 Writing to the President of the Bank, Carey pointed out that no other major customer had received such treatment and that it could force him to the wall. Noting that he had received "an obscure hint that political considerations have had their influence in this business," Carey dismissed this as a groundless rumor, as he knew the directors would never dishonor themselves by mixing business with politics "as other mischants in other nations mixed religion with their duties." Carey to the President of the B.U.S., April 17, 1798, Chamberlain Collection, Boston Public Library.
3 Between 1800 and 1810, Carey and Duane became progressively disenchanted with each other. Carey lobbied successfully to have his friend...
When Thomas Jefferson took the oath of office as the third President of the United States on March 4, 1801, the party faithful had already begun to demand the spoils of victory. Mathew Carey was no exception to the rule. He was immediately awarded contracts to provide office supplies to the Pennsylvania Land Office in Lancaster and later a contract to print a new edition of the *Laws of Pennsylvania*. But what Carey wanted most was to be a director of the Bank of Pennsylvania. In 1802, with the aid and support of Michael Leib, Nathaniel Boileau, and Samuel Maclay, he achieved his desired goal. He was thus given an opportunity to study banking operations from a policy-making position. He also profited financially, for he was able to secure a long and tolerant credit line which contributed directly to the enlargement of his publishing house. Of his directorship, he later wrote:

... [it] afforded considerable facility for meeting my engagements. My debts rose extravagently high, and ... I was treated with great leniency by the Directors who allowed my notes run on, without curtailment, for six or eight months.\(^9\)

This pleasant state of affairs continued for three years, until Carey failed to be re-elected by the Pennsylvania Senate because of his support of the establishment of the rival Bank of Philadelphia and his open opposition to the Leib-Duane group.\(^10\)

Samuel Harrison Smith receive valuable government printing contracts and the editorship of the new administration newspaper in Washington, the *National Intelligencer*. Duane felt cheated out of these plums. On the other hand, Duane rather skillfully pre-empted Carey’s position as the political leader of the Philadelphia Irish community. In 1802, Carey penned a long letter to Jefferson criticizing the management of the *Aurora* and advancing a scheme to strengthen the Republican press, nationally and in Philadelphia, which would have completely undercut Duane’s influence. Carey to Jefferson, May 4, 1802, Jefferson Papers, Library of Congress. Two years later, Carey had a pleasant taste of triumph when he was awarded the Pennsylvania contract to print the federal laws over Duane’s petition. Mathew Lyon to Carey, January 7, March 25, 1804, L & F Coll.; Carey to Lyon, January 28, 1804, Letter Book, L & F Coll., HSP.

\(^9\) Carey worried that he might be deprived of the directorship by another, but Leib reassured him by writing, “I cannot imagine that you have much to fear from the competition you suggest. He is only a republican recruit and will not, nay cannot be preferred to a veteran like you.” Michael Leib to Carey, January 2, 1802, L & F Coll., HSP.

\(^10\) *Autobiography*, p. 48.

\(^11\) Interestingly, Duane was able to oust Carey, but he was unable to get himself elected a director in his three attempts from 1806 to 1808. Sanford W. Higginbotham, *The Keystone in the Democratic Arch: Pennsylvania*
For the next five years, Mathew Carey attended to his rapidly expanding publishing business and was little concerned with politics. As he prospered, he became more conservative. Every day he realized the value of banking institutions in general, and the Bank of the United States in particular, to entrepreneurs such as himself who operated on a national and international scale. The Bank provided the venture capital with which Carey exploited the southern and western markets he had so brilliantly developed over the years. He knew only too well that the payments his agents forwarded to Philadelphia would be discounted at a reasonable rate only so long as the Bank exercised some control over the state banks' activities. Thus any attack on the Bank of the United States was a challenge not only to Mathew Carey's nationalism but also to a vital element of his financial well-being.

The charter of the Bank of the United States was due to expire on March 4, 1811. The record of the institution had been excellent; it had served the government and the nation by providing a uniform currency, carrying out certain functions for the Treasury such as the transfer of tax funds, and, by means of its discount powers, acting as a check on the irresponsible issuance of state bank paper. Under Jefferson, a Republican Congress had actually extended the powers and scope of authority of Alexander Hamilton's "monster." Three years prior to the expiration of the charter, stockholders sent a memorial to Congress begging the renewal of the instrument of incorporation. The Senate requested Secretary of the Treasury Albert Gallatin to submit a report on the question at the next session of Congress. But Gallatin, perhaps fearing that the President's constitutional objections to the Bank might come alive again, delayed the submission of his favorable report until March 3, 1809, the day before Jefferson left the Presidency. Not until January, 1810 did the House begin to consider the matter.12


12 The background to the recharter struggle has been drawn largely from Bray Hammond, Banks and Politics in America from the Revolution to the Civil War (Princeton: Princeton University Press, 1957), pp. 209-225. Hammond has disproved the old thesis that the commercial interests were for the Bank and the agrarian interests were against it. Actually, the reverse was almost true. For Gallatin's role in the conflict see Raymond Walters, Jr., Albert Gallatin: Jeffersonian Financier and Diplomat (New York: Macmillan, 1957), pp. 237-240. For Madison's seeming failure to
The question of whether to continue the Bank of the United States created all manner of ideological, political and personal conflicts within the ranks of the Republican party. Historically, it was Madison's and Jefferson's opposition to the original charter that marked the birth of the party itself. Jefferson's attack on the constitutionality of the Bank and his enunciation of a narrow interpretation of the "necessary and proper" clause of the Constitution became articles of faith in the Republican dogma. Once in power and faced with the realities of executive leadership, Jefferson looked the other way, as was his pragmatic nature, and signed legislation that purchased Louisiana, extended the operations of the Bank, and fastened American merchantmen to their home berths. But to the rank and file of the Republicans the Bank of the United States remained highly suspect if not downright unconstitutional.

Secretary Gallatin frankly felt that he could steer a recharter bill through Congress successfully with the symbolic Jefferson removed from the White House. Madison favored Gallatin's report. In both branches of the national legislature there were able Republicans to lead the floor fight. Senator William Crawford of Georgia and Representative William Findley of Pennsylvania, old Jeffersonians with agrarian interests, did Gallatin's bidding. They were supported by western and southern Republicans, many of whom disliked banks in general, but feared irresponsible state banks far more than the moderate national bank. Then there were certain urban Republicans and the Federalists who favored recharter.

Against this coalition there gathered three groups of Republicans dedicated to the defeat of the bill. First there were the old line, unreconstructed agrarians such as Senator W. B. Giles of Virginia, a longtime enemy of the Bank. A second faction, guided by Senator Michael Leib of Pennsylvania, hated Gallatin, and aimed at dragging him down with the Bank. The final group represented business, and was led by Senator Henry Clay, who while not a businessman himself was interested in two banks in his home

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Outside Congress, William Duane of the *Aurora* commenced a violent attack on Gallatin’s character and the Bank’s constitutionality, patriotism, and utility which echoed throughout America. The political ineptitude of the Bank’s directors and their inability to state their case greatly profited the opposition.

The Bank of the United States had played an important part in the growth of national economic unity. Mathew Carey believed that with the Bank destroyed chaos was bound to follow. With a British or French war always a possibility, the United States could ill afford to sacrifice one of its most vital economic weapons on the altar of partisan politics. So as Congress considered the recharter issue in April of 1810, Carey decided to return to the political scene and fight for the Bank as he had for the Constitution nearly a quarter of a century before. In so doing, he opposed the desires of the vast majority of Pennsylvania Republicans, and laid himself open to the most violent attack on his character that he was ever to suffer. However, he had the satisfaction of becoming one of the most important unofficial advocates of recharter, and certainly the ablest of all the pro-Bank pamphleteers.13

Carey went to Washington to lobby for the recharter bill on April 22.14 While there, he probably called on both Madison and Gallatin.15 He received the co-operation of the Representative from Philadelphia, Dr. Adam Seybert, a noted compiler of economic and historical statistics and a Jeffersonian. Having made the rounds of influential Congressmen, Carey sat down and wrote his first pro-Bank pamphlet, *Desultory Reflections on the ruinous consequences of a non-renewal of the Charter of the Bank of the United States*, which was published in the nation’s capital on April 27, 1810.16 He gave Dr. Seybert a large number of copies


14 “Awake at 4 this morning—Deliberated going to Washington. Determined at 5:30—Started 6:30.” April 22, 1810, Mathew Carey Diary, 1810-1819, Gardiner Collection, HSP. For Carey’s reasons for making the trip see Autobiography, p. 57.

15 On learning of Carey’s departure, Tench Coxe wrote the publisher begging him to use his influence with the President and Secretary of the Treasury to find a new post for Coxe, as the Office of the Purveyor was to be abolished. Tench Coxe to Carey, April 22, 1810, L & F Coll., HSP.

to be placed on the members' desks, but the Speaker refused this request because certain passages attacked the anti-Bank faction too violently. The refusal only aroused the Representatives' curiosities, and they applied to Seybert for their copies. Carey's objective had been partially attained.

Admitting that the Desultory Reflections was a hasty production, Carey addressed himself to describing the wholesale destruction of credit that must transpire if the Bank were forced to close its doors. The Philadelphia branch alone was owed over $8,000,000 and would be forced to call every penny of this in ten months' time. The vast majority of that money was invested in machinery, trade, and agriculture. The Bank's private debtors would pay largely in state bank paper, but the state banks were also the Bank's debtors. Thus the Bank's liquidation was bound to press the state institutions beyond their specie balances. To meet this crisis, the state banks would in turn call their private debtors, and a wholesale crash would occur. Speculators with hard cash would purchase property at thirty to forty percent of its true value. The credit of the federal government would also be destroyed, for the Treasury depended on Bank loans to meet the interest payments on the public debt. The argument that banks were naturally evil was stupid. As Carey pointed out to the pure agrarians, banks were bound to become more numerous, and it would be best to retain one central institution serving as a check on the others.

Mathew Carey's first venture into political economy was persuasive, yet gauche and extremely superficial. For example, he overlooked completely the use of the taxing power by the federal government to meet the interest payments on its bonds. But even today the Desultory Reflections reads well and is clear, hard-punching propaganda. No one realized its shortcomings more than the author himself, who now applied to his friend Henry Remsen, a New York financier and former aide of Jefferson's in...
the State Department, for critical comments and a detailed description of banking functions in general. Remsen gave his reasons for the Bank's reduction of discounts, which anti-Bank writers claimed was aimed at creating a minor panic, and thus at forcing Congress to vote for recharter. He also gave Carey a number of reasons why a central institution associated with the federal government was fitting and proper in a republic. However, Remsen cautioned Carey not to support a movement to increase the Bank's capitalization greatly, as the institution would become a monopoly, could destroy state banks, and "would be a future threat to our liberties." Mathew Carey incorporated all of his friend's ideas into later pamphlets.29

Carey felt that since he was "regarded as an ultra-democrat," his opinion would have some influence among the anti-Bank Republicans of Pennsylvania.21 He soon discovered that "of the party I stood almost alone in this City [Philadelphia]; was regarded by many as having abandoned them; and made myself hosts of enemies among my quondam friends."22 Both leading Republican newspapers were against the Bank. John Binns, the editor of the Democratic Press, was Carey's friend and Duane's deadly rival for the leadership of the Philadelphia Irish, but Binns agreed with the *Aurora* on the question of recharter.23 On November 8, 1810, the latter newspaper commenced its attack on the Bank. The following month, the *Aurora* intensified its attack by presenting the public with nine bitter articles which aimed at destroying the position of Secretary Gallatin, whom Duane char-
acterized as displaying "the silent dexterity of an Italian and the phlegm of an Englishman." 24

According to Duane the Bank was unconstitutional. Those who supported the recharter were foes of all state banks and cheap money. The Aurora was still considered by many Jeffersonians to be the Bible of Republicanism, and its influence was felt throughout America. So Mathew Carey set out to refute the slanders of his old foe, and on December 15, 1810, he published his answer, Nine Letters to Dr. Adam Seybert. A second enlarged edition appeared on the seventh day of the new year. 25

Dated December 6 to 15, the Nine Letters attempted to throw light on the "most important question that has agitated the country for twenty years," which the newspapers had purposely confused in order to lead the people and their national legislators astray. Carey claimed this task of illumination, the most important of his life, had been made more difficult by "a most discouraging destitution of materials." The Bank directors had refused him access to records that would have enabled him to construct a stronger case in behalf of their institution. Fear of the tyranny and despotism of the press had caused men of rank and talent to shrink from defending the honor of America and the public credit. Carey claimed:

This is a hideous evil, and is confined to no party. It exists probably in as great a degree among the Federalists as among the democrats, and calls loudly for the decisive interference of men really worthy of liberty. 26

Carey then proceeded to strike down, one by one, Duane's objections to the Bank, while describing the dire injury to America's reputation and national character that would result from Congress's failure to renew the charter. 27 The Nine Letters, while

24 Brant, Madison: The President, p. 267.
26 It is at this juncture that Carey's non-partisan approach begins to enter his writings. From this point on he blamed both parties with equal vigor for the ills that were visited upon the United States. Ibid., pp. iv-vi.
27 Carey used Remsen's information to refute the charge that the Bank was cutting discounts to create a political panic. Nationalistically, he argued that the dissolution would badly damage America's reputation abroad, where
equally effective propaganda as *Desultory Reflections*, were far more subtly thought out, better written, and demonstrated a much more sophisticated comprehension of the theory of banking. This work was highly nationalistic and stressed the non-partisan point of view. Carey must have struck pay dirt, judging from the amount of ink William Duane now spilled in abusing both of his pro-Bank pamphlets.

On December 25, 1810, there appeared in the *Aurora* the first installment of "A Review of Certain Pamphlets on Banking." Duane’s plan was twofold; he reviewed the *Desultory Reflections* and the *Nine Letters* in an insulting and condescending manner, and he launched a nasty, satirical, personal assault on Mathew Carey himself. Duane never actually refuted Carey’s arguments, but grew more abusive as his opponent’s simpler style began to find favor with the public. In the middle of January, Duane dropped all pretense of discussing the question of recharter and concentrated completely on slandering Carey’s personality, character, political beliefs, and business and literary abilities in a series of articles entitled "The Bank Distemper."

Duane had gone too far. Mathew Carey was held in high esteem by his fellow citizens and was greatly admired and loved for his honesty and charity. John Binns allowed Carey space in his anti-Bank *Democratic Press* to counter Duane’s attack. Unfortunately, after a controlled and balanced beginning in which the Bank was regarded as proof of the nation’s stability and honor, Carey denied that the institution was a “national bank” which was liable to corruption and stood as a threat to state sovereignty. No real governmental control existed because the United States merely was a depositor, no longer owned any shares, nor named any directors. Certain state banks, as Carey took pains to point out, were under much closer regulation by their legislatures. There was no doubt of the Bank’s constitutionality, for in 1804 a Republican Congress had granted the institution the right to establish branches in any of the states or territories. Jefferson himself had signed the act, thus recognizing the Bank’s legality. Carey then reconsidered in detail the effects of dissolution, on which he had touched in his *Desultory Reflections*. He also discounted the foreign influence allegedly exercised in the formulation of Bank policy by pointing out that no foreigner could sit as a director nor vote his stock.

*In all there were five parts to the “Review,” *Aurora*, December 25, 27, 28, 1810; January 1 and 4, 1811.*

*Signed “Sangroda,” these articles were highly abusive and dragged out every slanderous accusation ever made against Carey. Duane touched on such remote items as the old charge that Carey had behaved in cowardly fashion during the yellow fever plague of 1793 and that he had made a fortune out of his *Account* of that misfortune. See *Aurora*, January 18, 25, 28, and February 14, 1811.*
he appealed to the public and press to decide the vital issue in terms of value to the nation and not to a particular party or section, Carey descended to Duane’s level and engaged in personal invective. On January 24, the House by a vote of sixty-five to sixty-four postponed considering Secretary Gallatin’s report “indefinitely.” A new bill to renew and amend the Bank’s charter was introduced in the Senate, and on February 20, Vice-President George Clinton broke a seventeen-to-seventeen tie in the negative. It was a close defeat, but a defeat nonetheless. To Carey all his efforts seemed worthless. He also suffered a personal loss, for the Pennsylvania Senate, which once again had favored Carey for a directorship in the state Bank, reversed its position because of his support of the Bank of the United States, and elected another man in his stead.

The wartime events of 1812-1815 were to prove the correctness of Carey’s predictions. With the Bank no longer binding the national banking system together, chaos resulted under the fiscal strains imposed by the War of 1812. Panic, the suspension of specie payment, and a wholesale refusal to discount state paper all took place. The Pennsylvania Senate learned its lesson, and under the patronage of Nicholas Biddle, Carey once more became a director of the Bank of Pennsylvania in January of 1815. In that year, Mathew Carey began to campaign for a new central national bank. The Second Bank of the United States was established in 1816 by the very men who had destroyed its predecessor. Once again Carey proved to be the leading pro-Bank pamphleteer, working closely with his former opponent and future ally, Senator Henry Clay. For his continuous labors on behalf of the Bank of the United States, 30, 31, 32

31 Clement Biddle to Carey, January 20, 1811; Nathaniel Boileau to Carey, January 22, 1811, both L & F Coll., HSP.
32 Carey to Nicholas Biddle, January 26, 1815, L & F Coll., HSP. Years later Carey offered Biddle his Desultory Reflections or Nine Letters as a prototype for pro-Bank propaganda to be used against the arguments of Andrew Jackson. Biddle returned the pamphlet and remarked: “The only diminution of one’s pleasure [in reading it] is that so much good sense and reason should have been ineffectual. . . .” Nicholas Biddle to Carey, May 4, 1831, Nicholas Biddle Papers, Library of Congress, quoted in Thomas Gowan, Nicholas Biddle: Nationalist and Public Banker, 1786-1844 (Chicago: University of Chicago Press, 1959), p. 143.
States, Carey was recommended to President James Monroe as an excellent candidate for one of the government's directorships on the board of the Bank. Richard Rush, the acting Secretary of State and son of Carey's old friend Dr. Benjamin Rush, wrote this of the Philadelphia publisher:

... as a man of business and intelligence, his capacity is very high. ... Mr. Carey has lately become well-known as the author of the work called the Olive-branch, and has been in other ways distinguished for the activity and usefulness of his patriotism.33

That Monroe did not see fit so to honor Carey was no reflection on his ability or character. Although Carey was never a director of the Bank, the Biddle Papers in the Library of Congress reveal that he was in continual communication with his young friend and benefactor, Nicholas Biddle, who translated many of Carey's ideas into Bank policy.34

Carey's role in the recharter fight of 1810-1811 may be judged as a significant turning point in his career and political philosophy. His writings were widely read and reprinted, and he emerged from the fray as a minor economic seer. This conflict marked the beginning of Carey's serious economic writing. Crude but effective, his pamphlets served to inform Carey of his ignorance of economic theory and practice.35 He now commenced his intensive study that transformed him into one of America's leading political economists.

The defeat of the recharter bill ended Carey's career as a member of the Republican party. In his eyes, the good of the nation had been brutally sacrificed to the interests of faction. Madison had failed to support Gallatin in any way.36 The Congressional Republicans, on the whole, had refused to co-operate,

33 Richard Rush to James Monroe, November 1, 1817, Monroe Papers, Library of Congress.
34 Rowe has noted that Carey's "most solid contribution was his opposition to sudden changes in note tenor. ... He labored chiefly to convince bankers and inform the public that the interest of both lay in an even supply of credit and currency." Rowe, Mathew Carey, p. 107.
35 For a short review of Carey's theories on banking, see ibid., pp. 59-63.
36 Throughout his life, Madison was unwilling "to make a public display of political inconsistency." Thus he refused to speak out firmly in favor of recharter. A Presidential message to Congress would "have produced the ten votes needed to pass the measure in both houses." Brant, Madison: The President, pp. 269-270.
preferring to act out of personal spite and for their own economic welfare. Nor were the Federalists better; they often supported the anti-Bank campaign more eagerly than their Republican foes. Thus by the spring of 1811, Mathew Carey strongly believed that party and sectional rivalry was a far greater threat to the preservation of the Union than a foreign war with either Great Britain or France. Carey clung fast to his republican principles, but all his loyalties and devotion were now totally enlisted in the cause of national unity. He was finished with political parties forever.