

THE MARKET MOMENT:
BANKING AND POLITICS IN JEFFERSONIAN
PENNSYLVANIA, 1810-1815

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Whether they lived in the countryside or urban area, most Pennsylvania Jeffersonians were capitalists. We can see their commitment to capitalism reflected in the legislation chartering numerous local banks in 1814. To understand this process we must first examine the dynamic economic growth of interior Pennsylvania in the early nineteenth century that established an independent financial identity for the region. The growth of western and central Pennsylvania led to a substantial popular outcry for new banks and access to capital as interior Pennsylvanians attempted to break away from their financial dependence on the Philadelphia region. They did this by establishing local banks to create sources of capital independent of the Philadelphia banks. Along the way, banking expansion emerged as a major political movement in the state and Pennsylvania's Jeffersonians revealed their capitalist core.

Trade along the Ohio River greatly increased the flow of money and economic prospects for western Pennsylvanians in the

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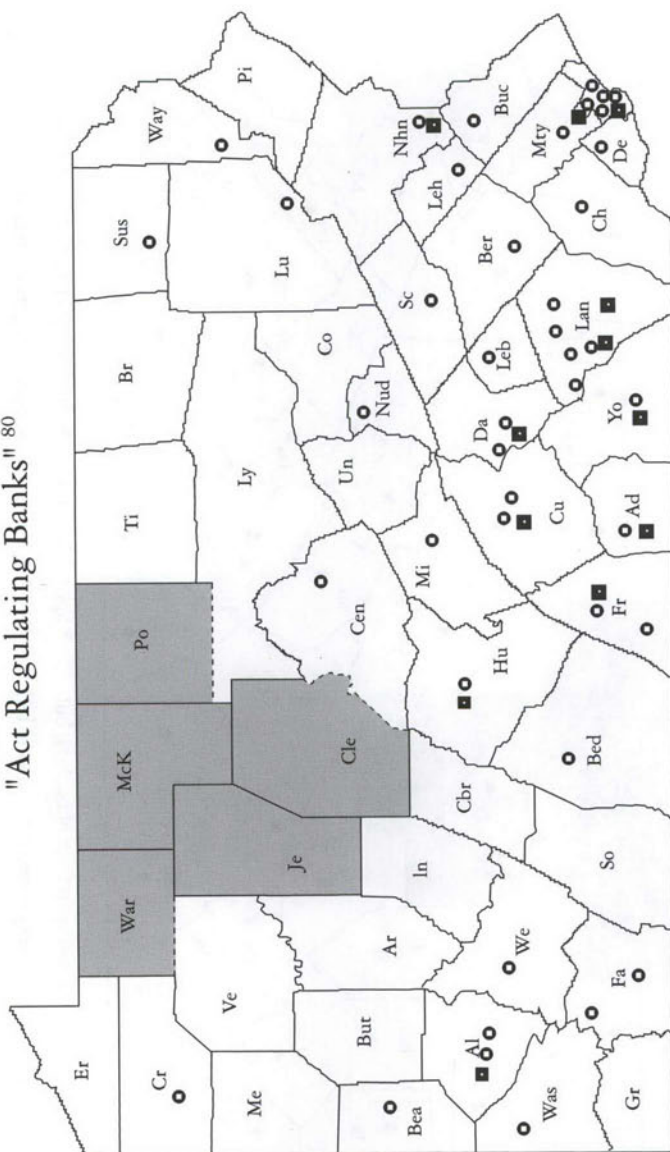
first two decades of the nineteenth century. Settlers heading west to the Ohio territory purchased great quantities of supplies in western Pennsylvania. In 1805, the first load of white pine floated from a creek in northern-tier Warren County down the Ohio and Mississippi rivers to New Orleans.¹ In 1810, northwestern Crawford County alone produced 73,360 yards of textiles and 70,000 pounds of maple sugar. The War of 1812 facilitated western economic growth. Western armies and the Lake Erie fleet bought supplies produced in Pittsburgh and other western market towns such as Erie, Washington, Butler, Fayette, and Brownsville.² Between 1810 and 1814, the city of Pittsburgh doubled its industrial production from \$1 million to \$2 million worth of annual output. Smaller western Pennsylvania communities such as Brownsville also shared in the wealth, as reported in *Niles' Register* in 1814:

Brownsville is a thriving place, and has several handsome establishments—a valuable glass works; a steel manufactory, an extensive foundry; a factory for making mill saws; a machine for planking hats, etc., etc. All bustle and business. They are building a steam boat at this place!³

Meanwhile, the coal and iron industries were changing the economies around Pennsylvania, in southwest and central counties such as Bedford, Somerset and Huntingdon. By 1810, a blast furnace, iron forge, and coal mine operated in the Juniata River Valley and sent material into the Susquehanna region.⁴ One observer noted that some local farmers had “begun to dig and export” the huge amount of coal found on riverbanks in the area.⁵

Susquehanna River Valley counties such as Adams, Cumberland, Dauphin, and Franklin became increasingly market-oriented in the first two decades of the nineteenth century. An economic summary of Adams County in 1810 displays the extensive commercial nature of the central region. According to the 1810 census, Adams County contained 333 looms, 93 blacksmiths, 64 sawmills, 54 coopers, 47 gristmills, 20 hatteries, 10 carding machines, 9 naileries, 9 potteries, 7 brick kilns, 6 fulling mills, 6 flaxseed oil mills, 5 gunsmiths, 4 cabinet makers, 2 metal manufacturers, and one each of cutlery shops, rope walks, soap and candle manufacturers.⁶ The vibrant market economy created by Susquehanna River valley residents became increasingly independent from Philadelphia between 1790 and 1810. The region also benefited from a trade rivalry between Philadelphia and Baltimore for its rich produce.⁷

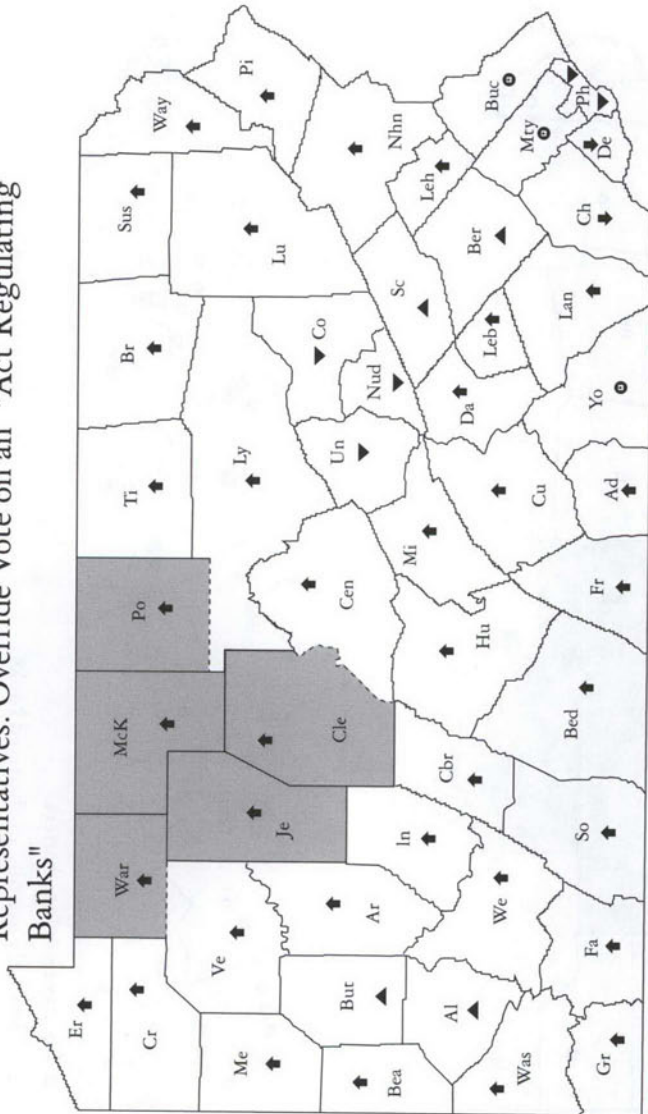
Map 1. 1814, Pennsylvania :
"Act Regulating Banks" ⁸⁰



○ - Banks receiving charters

■ - Previously existing unchartered banks

Map 2. 1814 - Pennsylvania General Assembly, House of Representatives: Override Vote on an "Act Regulating Banks"



- ↑ Delegation unanimously in favor of banking bill
- ↓ Delegation unanimously opposed to banking bill
- ⊙ Split delegation leaning for banking bill
- ↕ Split delegation leaning against banking bill

Between 1808 and 1812, the number of manufacturing operations increased considerably all around the state, with the Philadelphia and Pittsburgh regions acting as major centers for both domestic and international trade. In 1810, Pennsylvania led all states in non-agricultural economic production with nineteen percent of the total national output of manufactured goods. Pennsylvanians were responsible for forty-one percent of the nation's iron production at the time. This raw iron was processed in three hundred eighty mills, forges, furnaces, plants, and naileries statewide. Pennsylvania also produced more leather goods, liquors, paper, and hats than any other state. The Keystone State was also second in the production of glass and third in textiles.⁸

Market expansion in Pennsylvania's interior led to a desire for more banks beginning in 1808. The movement for new banks across Pennsylvania can be traced to the quiet passage of the 1808 Association Act in the state's General Assembly. This legislation allowed for banking institutions to exist without formal charters. New banks in operation under the Association Act could accept deposits, loan money, and issue paper bank notes.⁹ Therefore, they would operate similar to the existing chartered banks in Pennsylvania, including the Bank of North America, Bank of Pennsylvania, and the Philadelphia Bank. Between 1808 and 1812, the Pennsylvania General Assembly received charter petitions from banks already operating in Chambersburg, Carlisle, Lancaster, Philadelphia County, Philadelphia City, Easton, Pittsburgh and Washington. The legislative activities on banking in these Assembly sessions indicated a rising amount of Democratic support for new banks that occurred concurrently with the persistent resistance of many Jeffersonians.¹⁰

The existence of these unlicensed, and, therefore, un-regulated institutions showed that popular demand for more banks was outpacing the General Assembly's efforts to expand, regulate and monitor the system. Demand for credit grew as specie circulation decreased, as prices increased, and as manufacturing concerns expanded in number. Agricultural communities were also becoming more dependent upon market operations and financial interaction. In their pursuit of charters from the Assembly, unchartered banks emphasized connections to agriculture and manufacturing to downplay ambitions for financial gain. Beginning in 1810 and continuing through 1814 the unchartered banks waged individual campaigns for charters.¹¹ For example, petitioners hoping to gain a charter for the Farmers' Bank of Lancaster pointed out that the new bank would "have a beneficial effect in promoting

agricultural improvements, the extension of domestic manufactures and the consequent increase of trade." By 1810, the thriving state of agriculture in Lancaster County led to a concentrated effort for a local bank. As was the case for many other communities surrounding Pennsylvania's thriving river valleys, good farm conditions had led to a demand for capital to support manufacturing establishments involved in farming, such as flour mills, textile plants, and other small organizations.¹²

By 1810, momentum for new banks was also part of a larger political effort to build a transportation system to facilitate market interaction. In the Assembly, a committee on banking suggested that specific construction projects receive funding from the proposed new banks. Thus, the Pittsburgh Bank could provide capital for the construction of bridges across the Monongahela and Allegheny rivers. Similarly, the Mechanics' Bank of Philadelphia offered to absorb stock in a company building a bridge over the Susquehanna River and to assume responsibility for completion of the project. Likewise, petitioners requesting a charter for the Bank of Northern Liberties suggested using that bank's funds for a bridge project over the Susquehanna River or "toward the promotion of any other work of public utility, which the legislature may think proper to direct."¹³

The connection between banking and internal improvements went beyond market expansion. The joint effort recalled a colonial and revolutionary view that corporations "served important public services."¹⁴ In 1810, bank advocates explained that their requests for private banks would also perform the important public function of creating facilities for extending trade in Pennsylvania. Bank supporters suggested that employing capital to facilitate commercial transactions qualified as public service. From this perspective, bank-assisted market expansion actually became a public priority, at least in the eyes of new bank advocates.¹⁵

In 1811 Democratic governor Simon Snyder also made clear his desire to see banks utilized to develop the state's infrastructure. He congratulated the Assembly for maintaining the Bank of Pennsylvania's charter, which included a state investment of five hundred thousand dollars that produced dividends of fifty thousand dollars in annual state revenue. The governor then suggested that these dividends be "liberally, but judiciously applied in cutting canals, improving roads, and the navigation of rivers; in following our infant manufacturers." Like his Jeffersonian counterparts in the Assembly, Snyder trusted that banks would support the commonwealth's public works projects.¹⁶

TABLE 1: Corporate Charters Granted by the Pennsylvania General Assembly, 1806-1814¹⁷

Year	Transportation ¹⁸	Type of Corporation		
		Banking	Insurance	Manufacturing
1806	6	0	0	0
1807	7	0	1	1
1808	2	0	0	0
1809	10	1	1	0
1810	13	0	2	0
1811	15	0	1	0
1812	10	0	1	1
1813	11	0	0	0
1814	26	41	0	2

Despite their diligent efforts to gain charters, the new unchartered banks in Pennsylvania caused a significant amount of controversy and concern to Jeffersonian politicians wary about the lack of a controlling political authority to ensure banking fairness for common citizens. To these publicly minded representatives, the new banks or banking "associations" were problematic because they appeared to be beyond the realm of legislative accountability. Republican Peter Frailey from Berks County articulated these legislators' concerns when he concluded that their "guarded" secrecy led to "uncertainty" surrounding their transactions. Frailey asserted that "these mushroom institutions tend to the injury of the society" because their operations took place in secret, beyond the public or political examination of legislative review. Democrat John Brown from western Greene County also criticized the increasing numbers of unchartered banks, commenting that "if they [unchartered banks] are not stopped they will destroy the public credit and ultimately ruin the state."¹⁹

Concerns of this sort led to the passage of an act in 1810 restricting the operation of unchartered banks.²⁰ Many Pennsylvanians felt that the new unchartered banks would lead to economic problems by causing an unchecked flow of paper money and other problems due to the corruption of self-serving bankers.²¹ The law stated that after May 1, 1810, unchartered banks would be prohibited from operating as financial institutions. The act restricted the unchartered banks from issuing notes, making loans, and accepting deposits. However, despite its harsh rhetoric, the act did not carry a severe penalty: violators of the new law would pay a mere \$100 fine.²²

The final version of the act that banned unchartered banks (called the Restrictive Act) passed the House by the substantial margin of sixty to twenty-nine. Voting on the 1810 Restrictive Act indicated regional self-interest within the legislature. All western and northern Democrats voted for it, as a virtual bloc for the bill. The few Democrats that supported the measure represented all sections of the state, but were especially concentrated in Franklin and York Counties—where unincorporated banks already existed. Five out of six Lancaster County (home to the unincorporated Farmer's Trust Bank) delegates also disapproved of the measure. Philadelphia delegates were split.²³

The political dynamics of this vote are important for understanding the over-riding partisan views on unregulated banking. In 1810 Jeffersonians dominated the General Assembly. They held 73 of 95 seats in the House of Representatives as a result of the 1809 election. Despite their success, Pennsylvania Jeffersonians were firmly divided by factions. By 1810, the three significant factions were the country Democrats or Snyderites, the Old School Democrats, and the moderate Quids. Federalists retained a small percentage of the House seats.²⁴ The Country Democrats came into power with the election of Snyder in 1808. They were mainly from central and western Pennsylvania, and claimed the support of small farmers disaffected by the supposed conservative turn of the party under Governor Thomas McKean over issues such as judicial reform. The Quids represented more moderate Jeffersonians mainly from the Philadelphia hinterlands who had supported McKean in 1808 and sometimes supported the country Democrats. The Old School Democrats were Jeffersonians led by newspaper editor William Duane who claimed to represent Philadelphia's growing working class and simple revolutionary values.²⁵

An analysis of the political dimensions of the vote on the 1810 Restrictive Act shows that 79 percent of voting country Democrats supported the measure. In addition, all voting Philadelphia Old Schoolers and 63 percent of the voting Quids also supported the act. Conversely, only 30 percent of the Federalists in the House approved of the bill. This was clearly a Jeffersonian idea that cut across fractional lines, with limited Federalist support.²⁶

Pennsylvania Jeffersonians of various factions were unprepared to accept unregulated banks in 1810, while Federalists did accept them.

The regulatory function of the state government clearly emerged as a Jeffersonian priority in Pennsylvania with regard to banks between 1810 and

1815. By their opposition to unchartered banks, Pennsylvania Jeffersonians demonstrated their willingness to use the state government to regulate the economic activity. This contrasted with Pennsylvania Federalists, who remained the strongest political proponents of unchartered and therefore unregulated banking throughout the early Republic in Pennsylvania. Indeed, Pennsylvania Federalists who supported unchartered banks in these years seemed distant from the Federalists of the early 1790s who had supported Alexander Hamilton's plan to connect government and economic progress through such measures as the Bank of the United States, debt assumption and the Society for Establishing Useful Manufactures.²⁷ In 1813, Thomas Jefferson himself echoed the Pennsylvania Jeffersonians' concerns over private banks that operated without public oversight when he remarked on the numerous new "self-created" banks springing up around the nation.²⁸

Momentum for new banks that emerged along with reservations for unchartered banks is pivotal for understanding the banking issue within the larger context of market expansion in Pennsylvania between 1810 and 1815. It shows that momentum for new banks and the market potential they offered existed along with considerable concern over their potential for unregulated abuse of the public. Through 1815, the issue often played out over this question: how could the state expand its banking system within the realm of strong public regulation of the banks?

Along with the economic expansion to the west, market energy in this region was also crucial for establishing political momentum for new banks in Pennsylvania. Simply put, a growing productive capacity meant calls for more interior sources of capital. As their economies grew in different directions, central and western Pennsylvanians sought their own banks to break financial dependence on the Philadelphia banks. This regional outlook was the most important feature of the roiling Assembly proceedings between 1812 and 1814. These culminated in the passage of "An Act Regulating Banks" in 1814, which began as "a bill to establish a general system of banking." A year of legislative wrangling and the Jeffersonian emphasis on regulating new banks via charter precipitated the name change.²⁹

By the end of 1813, popular demand for new banks was such that "the tables of both houses were covered with petitions praying for charters."³⁰ The petitions stressed that the new banks would have broad popular participation. For example, one petition declared that the "citizens generally should have an opportunity of becoming stockholders." The same petitioners also wished to establish "an organization or such an establishment [bank] in which the

authority of the law, of the regulating hand of the legislature can be recognized." This was a key point of motivation for "An Act Regulating Banks." Pennsylvanians wanted to control banks, as much as they wanted more of them. In fact, state control of the banking associations had become necessary because the "constituted authorities of the commonwealth would seem to have lost all control over the important subject," thus exposing the public to "great insecurity and imposition." This petition exemplified the key points of many others and provides a good example of the terms used and motivations of those seeking new banks from throughout Pennsylvania. It suggested that charters had become necessary because they would facilitate legislative control over the bank.³¹

The General Assembly's House of Representatives culminated years of debate over new banks by passing the banking bill in March 1814. The Assembly's action allowed for over forty new bank charters, along with a myriad of restrictions on those banks. The decisive vote came down to an override action, following Governor Simon Snyder's second attempt at vetoing the legislation through his executive power. In contrast to the previous year, the Assembly successfully overrode the governor's action, therefore paving the way for many more chartered banks in the commonwealth. Despite Snyder's veto, the Assembly's successful override vote reflected the Democratic majority's political will towards banking expansion in 1814.³²

The most significant political factor of the banking legislation was regional interest. As before, the banking bill drew its support primarily from the west and rural regions of the state. Other than a few Northumberland representatives and one Allegheny representative, every delegate from west of the Susquehanna River voted to override the governor's veto. Opposition was primarily from the Philadelphia region.³³ A Gettysburg newspaper published a letter from an Assemblyman describing the sectional division: "Most of the city members and the counties adjoining are opposed to the passage of the bill and hold out the idea that there are a sufficient number [of banks] already." The Assemblyman added that the opposition by Philadelphians to banking expansion in the rural interior had strengthened his commitment to the proposal.³⁴ A Democratic newspaper explained that the banking bill would address the current inequality of the banking system that existed throughout the state. A Pittsburgh reporter noted that argument in favor of the banking bill was based upon the concepts of equality and legitimacy. Given the strong popular desire for banks, the legislature ought to make sure that Pennsylvanians "should have them as nearly equally divided as possible."³⁵

The regional economic circumstances created by market expansion in the Susquehanna River Valley and new trade connections between the Chesapeake Bay and central Pennsylvania are important for understanding the passage of "An Act Regulating Banks" in 1814. Assemblymen from Adams, Centre, Cumberland, Dauphin, Franklin, Mifflin, and York counties represented a constituency involved in market production increasingly more directed to Baltimore and the Chesapeake region than to Philadelphia and the Delaware Bay.³⁶ Like the western delegates, the support of representatives from this region for the banking bill illustrated an economic viewpoint that sought local sources of capital to further develop local economies.

Local or regional factors likely played a role in shaping Philadelphia opposition to banking expansion, as the city and its environs were relatively disconnected from the interior economy in the 1810s. Historian Diane Lindstrom wrote that the Philadelphia region was economically separate from the Pennsylvania interior as late as the 1820s due to "prohibitive overland transport costs and a limited natural water system." According to Lindstrom, this circumstance did not change significantly until at least 1830, when canals decreased shipping costs.³⁷ Lindstrom's evidence lends supports to the regional thesis on banking presented here. Philadelphians would probably have been less likely than interior Pennsylvanians to support banking expansion as put forth in the 1814 bill: "An Act Regulating Banks" was clearly designed to shift financial resources to the parts of Pennsylvania outside the Philadelphia region. If Lindstrom's analysis were accurate, this shift would not have improved Philadelphia's economic prospects in 1814. Therefore, logic suggests that Philadelphia-area Assemblymen would oppose a movement (as they did consistently for two years) that was not advantageous to the economic self-interest of their constituents.

As the regional pattern of economic development in Pennsylvania became more obvious between 1812 and 1814, financial circumstances in the western part of the state became more complicated due to the War of 1812. The war effort created currency problems for western Pennsylvanians because specie flowed east to buy war supplies. Consequently, interior Pennsylvanians became even more anxious for the kind of access to capital that easterners enjoyed with the Philadelphia region's existing banks. Pennsylvanians living west of the Alleghenies hoped to establish locally controlled banks as a means of breaking financial dependency on the Philadelphia-based banks.³⁸

The regional nature of the banking debate also comes through in private correspondence. Philadelphia banker and lobbyist for Stephen Girard, Benjamin Morgan, expressed frustration over the lack of opposition to the bill from Pennsylvanians other than Philadelphians: "A few memorials against the Banking Bill from persons not bankers or stockholders in any part of the state would I believe render its fact uncertain but they would have a better effect if sent from any other part of the state than the City of Philadelphia."³⁹

Political partisanship was also a factor in the voting on banking expansion, but not to the extent of regional self-interest. By 1814, the country Democrats had become the dominant political faction in the state. They allied themselves with the national Jeffersonian party in support of President James Madison and the war effort.⁴⁰ By a significant margin, they supported an "Act Regulating Banks" over the objections of the governor.

In 1814, an overwhelming Democratic majority in the House approved the banking bill by voting for its passage and to override the governor's veto. Support for Snyder's veto came mainly from Old School representatives, consisting mainly of eastern Democrats. The few Federalists remaining in the legislature split their votes. The great majority of Pennsylvania Democrats in the Assembly were quite determined to expand the banking system, despite the ominous warnings of the governor, Philadelphia-based opposition, and the political risk of overriding Snyder's veto.⁴¹ Yet, support from Federalists and other Democrats suggests that region trumped partisanship as a factor in voting on banking expansion.⁴²

Regional identity also appears to have had more impact on the banking deliberations than the ethnic identity of legislators. An ethnic analysis of the 1814 override vote showed that House representatives from most of the major ethnic groups in Pennsylvania either supported or rejected an "Act Regulating Banks" generally in proportion to the vote of the whole House. TABLE 2 shows the ethnic pattern of voting on the bill.

The most interesting information from TABLE 2 is the voting pattern of Irish representatives, whose opposition to the bill is significantly greater than average. In fact, historian Kenneth Keller has identified the "new Irish" as a political factor in Jeffersonian Pennsylvania.⁴⁴ However, three of the four Irish representatives who voted against the bill were from Philadelphia city. Thus, two out of the remaining three voters of Irish background supported the bill. They were from the state's rural interior. Also, all five voting Chester County (near Philadelphia) representatives were of English descent, and all five voted against the banking bill. By contrast, all three Fayette County

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TABLE 2: Ethnic Analysis of the Override Vote on the "Act Regulating Banks," 1814⁴³

Ethnic background	Number of Voting Reps	Percent of Voting Reps.	Number of Yea votes	Number of Nay votes	Percent Voting Yea	Percent Voting Nay
English	45	50%	32	13	71%	29%
German	16	18%	12	47	5%	25%
Scot or Scots-Irish	11	12%	9	2	82%	18%
Irish	6	7%	24	3	3%	67%
French	2	2%	2	0	100%	0%
Swedish	1	1%	0	1	0%	100%
Unidentified	9	10%	8	1	91%	11%
All	90	100%	66	24	73%	27%

(southwest) representatives were of English descent, and all three voted for the banking bill. An assemblyman's home region was probably more important than his ethnic background as an influence on his vote.⁴⁵

Despite the evidence that the banking act represented the political culmination of market energy and popular desire for banks, a few prominent historians of Pennsylvania politics have concluded that the "Act Regulating Banks" passed because of simple logrolling in the general Assembly.⁴⁶ According to the standard view, representatives increased support for the bill between 1813 and 1814 (enough for passage) because banks were added to the bill to exist in their home districts. Was this simply a case of 'you vote for the bank in my county, and I will vote for yours'?⁴⁷ Historians Sanford Higginbotham, Douglas Bowers, and Charles Sellers have all attributed passage of the banking bill to logrolling.⁴⁸

However, the evidence suggests that logrolling is not a good explanation for passage of an "Act Regulating Banks" in 1814. The House vote to override the governor's veto in 1814 shows that delegations most opposed to the banking bill were all from areas (or "districts" in the bill's lexicon) where new banks were granted charters by the act.⁴⁹ These delegations included Philadelphia city, Chester, Delaware, and Northumberland. Moreover, the few delegations from counties not receiving new bank charters supported the bill unanimously. These delegations included Greene, Somerset/Cambria, Indiana/Armstrong and Jefferson.⁵⁰ Only three of ten delegations from "districts" that had new banks added to the bill in 1814 shifted position from 1813 to 1814. The following TABLE shows the voting pattern of the delegations in question on the two override votes:

TABLE 3: Key Delegation Votes on the Banking Bill, 1813 & 1814⁵¹

Delegation	1813 Vote	1814 Vote
Cumberland	yea	yea
Franklin	yea	yea
Philadelphia (County)	nay	nay
Lancaster	nay	yea
Mifflin	yea	yea
Philadelphia (city)	nay	nay
Dauphin	yea	yea
Allegheny/Butler	nay	yea
Washington	yea	yea
Beaver	nay	yea

The fact that delegations outside the loop of the banking bill supported banks for other counties indicates that the bill had an appeal to central and western representatives that went beyond the narrow self-interest of their own counties, and reflected a regional viewpoint. Similarly, opposition to the bill from delegations receiving bank charters (Philadelphia city received three) suggests that winning a new charter was not significant enough to support the bill. Finally, the fact that just three delegations shifted between 1813 and 1814 indicates that the additional banks did not generate enough new support to pass the bill from one year to the next.

The arguments appearing in the newspapers on the banking act also emphasized the regional division over the bill that played out in the Assembly. The *Pittsburgh Mercury* is a good example of a western newspaper which supported the banking legislation based on a western desire for financial independence from Philadelphia, and an equal chance at establishing local capital outlets.⁵² Other central and western newspapers that advocated banking expansion included the *Adams Centinel* (Gettysburg), *York Gazette*, and *Franklin Repository* (Chambersburg). Significantly, the newspaper reaction cut across partisan lines. Both the *Democratic Mercury* and the *Federalist Centinel* supported the act.

A primary bastion of opposition to banking expansion came from William Duane's Old School Democratic *Aurora*. Yet, the *Aurora's* opposition to banking expansion needs to be qualified. In fact, the *Aurora* supported the existence of a financial system, yet only one that was properly regulated: "unquestionably, banking, conducted within the well-defined bounds and with skill and fidelity, is a powerful agent in promoting the interests of a

commercial and manufacturing society." The *Aurora* opined that the banking bill did not go far enough in appealing to Pennsylvania producers. Banks were useful, but only if they would be most helpful to farmers and manufacturers.⁵³

Philadelphia opposition to the banking bill was complicated, though it definitely reinforced the Assembly's regional self-interest on the banking issue. Duane's newspaper argued that a false capital would come out of the new banks, in the form of paper bank notes without adequate specie backing.⁵⁴ This would undercut the economic prospects of Philadelphia's numerous artisans and mechanics by decreasing the value of everyone's money, and complicating economic transactions. Notes from the country banks were sure to find their way to Philadelphia through trade. The *Aurora's* position suggested to Philadelphians that the new country bank notes would flood their shops and pockets. All Philadelphians would then suffer, as their formerly valuable, specie-backed bank notes would now compete with worthless paper from the state's interior.⁵⁵

The *Aurora's* opposition to "An Act Regulating Banks" in 1814 needs to be understood within the broader context of that important newspaper's position as it evolved between 1803 and 1814. The *Aurora's* stance on banking is important because of that newspaper's connection to the Old School Democrats. The Old School has received a lot of attention from historians who emphasize the nostalgic and somewhat anti-capitalist nature of the faction, and by extension, many Pennsylvania Jeffersonians.⁵⁶ Beginning with the charter movement for the Philadelphia Bank in 1803, the *Aurora* cautiously supported banking expansion, but remained guarded due to perceived dangers of increasing the number of banks in the state. Significantly, William Duane and his *Aurora* favored an important role for new banks in the expansion of the state's economy so long as they were properly regulated by the state. In 1810, the newspaper articulated this position: "the advantages of Banking regulated with discretion, are incalculably great to society, in the existing state of the world and the pre-dominance of commerce. The danger is in the abuse, and what is there that is not subject to abuse?"⁵⁷ In an 1807 editorial, the *Aurora* focused on the alleged elitism of existing banks, especially those with Federalist backgrounds. The *Aurora* lambasted the Bank of the United States and the Bank of North America (both Philadelphia banks) for creating a financial aristocracy that shut out the common people from the benefits that investment in banks offered. Closed banking, rather than banking itself, was the real problem.⁵⁸

In 1809, the *Aurora* offered caution with regard to banking, but also advocated expanded banking opportunities for more people. The newspaper warned against state investment in banks, by pointing out that "The legislator mistakes his duty very much who thinks that placing a certain sum in banking is the best mode of preserving and promoting public wealth," due to the financial risk of investment. Yet, the *Aurora* continued to maintain that banking could prove very useful to more Pennsylvanians so that "Honest and capable men may be encouraged, and industry promoted to the great advantage of the community." The *Aurora's* support for new banks stressed hope that banks would not be manipulated for political reasons, and thus transformed into "engines of the worst of tyranny."⁵⁹

The Old School perspective on the 1814 bill is further understood by examining the posture taken during the debate by young William J. Duane, son of the famous journalist and leader of the Old School in the General Assembly. As it turned out, the junior Duane led the Old School while personally representing the interests of prominent Philadelphia banker Stephen Girard in the discussion over the 1814 "Act Regulating Banks." Duane argued on behalf of Girard's interest by unsuccessfully trying to defeat the act's stipulation that would have closed the wealthy Girard Bank in Philadelphia because it had never received a charter. Upon losing the battle, Duane expressed his regrets and hopes for approval in correspondence to Girard: "the little that I have done it was my duty to do so . . . permit me to assure you, Sir, that I now feel additional satisfaction since my conduct has obtained your approbation."⁶⁰

In 1814, the Democratic *Aurora* had an ally in opposition to the banking bill nearby with the Federalist *Poulson's American Daily Advertiser* from Philadelphia. *Poulson's* shared the view that the "litter" of new banks was about to unleash unprecedented financial chaos on Pennsylvanians. The congruence of views on the bill from these two newspapers is more evidence to support the point that region clearly triumphed over party in the debate over the 1814 banking bill.⁶¹

Central and western advocates and opponents of the 1814 banking bill shared a number of points regarding the Pennsylvania political economy. Both sides viewed interior Pennsylvania's economic interests as distinct from Philadelphia. For example, despite opposing the bill, one Franklin County writer suggested that the Assembly pass no laws that would proscribe future banking expansion because "the field of banking would be left open to a few banks in the city." The writer concluded that such laws would "carry the profits of banking and almost all the specie to the city [Philadelphia]."⁶²

The fundamental importance of the 1814 "Act Regulating Banks" is the substantial amount of political energy unleashed for market opportunity. Indeed, both sides of the banking discussion agreed on the centrality of market operations to the state's economy and the importance of fair market opportunity for all Pennsylvanians. They disagreed over the numbers of banks chartered, and charter stipulations such as limited liability, and the potential for bank note instability.⁶³ In fact, stockholder liability was one of the more substantive issues that came out in debate over the bill. Old School spokesperson William J. Duane and Country Democrat Michael Fackenthall of Bucks County objected to the bill's failure to hold stockholders personally responsible for accounts if banks failed. Duane and Fackenthall unsuccessfully proposed a clause that would make all bank stockholders personally responsible for the shortcomings of their banks. The proposed amendment suggested that if a bank were to "fail or neglect to fulfill any promise or engagement made by it," then "each and every person to whom the stock so held may have been transferred, shall be liable in his or her individual capacity, to the full amount or equal value by him or transferred or held." Despite its failure, the proposal is significant for its assertion that a bank's charter need not guarantee limited liability for its stockholders. Duane, Fackenthall and others expressed a concern at the heart of the banking debate, and especially voiced by the Old School: that individuals in control of an institution should be held responsible for that institution's conduct.⁶⁴

Two other members of the Assembly also proposed a measure to ensure personal responsibility for bank stockholders by connecting stockholding, specie redemption, and liability. Northumberland area Representative George Kremer noted his support for stockholder liability when he referred to "Dutch farmers" in pointing out that in "chartering these corporate bodies we should take care and guard the people from oppressions." He also asserted the need to "protect ourselves against any abuse of their [incorporated] privileges." Kremer supposed that "the rights of the people, and the right of every man to recover his just dues should be carefully guarded." Old School representative Joel Sutherland of Philadelphia County commented that stockholder liability would "make the bill more popular, than if no such provision were interwoven into it." The movement for stockholder liability in the new banks did not succeed, although bank directors became personally liable for their banks' obligations. Therefore, limited liability was written into the Act Regulating Banks with an important exception for bank directors.⁶⁵

Who were the stockholders in the new banks? A brief analysis of demographic information on stockholders in the newly chartered Bank of Gettysburg indicated that stock in the new banks was obtained by a broad cross-section of Pennsylvanians. Investors in the Bank of Gettysburg in 1814 came from all around Adams County, and had diverse occupations. Farmers were well represented, along with artisans, merchants, and professionals. A few laborers also managed investment in the bank, as did one clergyman. The following TABLE shows the distribution of investor by primary occupation:

TABLE 4: Bank of Gettysburg: Investors' Primary Occupations, 1814

Farmers	53
Artisans	19
Merchants	15
Professionals	8
Laborers	4
Clergymen	1
Unknown	9

Original investors in the chartered Bank of Gettysburg included one cordwainer, two shoemakers, one printer, one butcher, one tailor, one saddler, one nailer, one teamster, one surveyor, two waggonmakers, one potter, one blacksmith, one prothonotary, three distillers, one mason, one fuller, one doctor, and three attorneys.⁶⁶

Women also owned stock in the new banks. Five percent of the stockholders of the Bank of Gettysburg were women. Two appeared to own stock jointly with their husbands, but at least two (Mary and Catherine Lackey) were listed as distinct property owners on the 1814 Gettysburg tax list.⁶⁷ Other evidence also shows that women had some involvement with the 1814 banks. For example, both Chambersburg and Green Castle banks held public stock subscription meetings at houses owned by women. In fact, women owned forty percent of the houses used for these transactions in Franklin County.⁶⁸ These findings support historian Robert Wright's conclusion that women were substantially involved in banking in the early Republic.⁶⁹

Shares in the Bank of Gettysburg were probably expensive for most Adams County residents. The 1814 charters mandated that each new bank share cost \$50. However, purchasers were allowed to buy shares for as little as 20 per-

cent down, or \$10 per share. This probably made stock purchasing easier for many in Adams County, who accordingly bought as little as 1 or 2 shares. In fact, a far greater number of investors bought stock in relatively small amounts (1–20 shares) than bought stock in relatively large amounts (30–100 shares):⁷⁰

TABLE 5: Stock Purchases by Size of Purchase: Bank of Gettysburg, 1814

# of Investors	Size of Purchase (in shares)
14	75–100
12	50–74
9	40–49
8	30–39
26	20–29
50	10–19
54	5–9
21	1–4

The regional nature of the banking issue continued to play out in the years following 1814. Poor transportation facilities isolated many of the country banks from the capital reserves held in urban banks. As well, a post-war specie drain to New England through the New York banks affected the situation in Pennsylvania by decreasing the interaction of banks in rural and urban Pennsylvania. Philadelphia banks focused more on meeting specie obligations to banks on the Atlantic coast at the expense of the new country banks desperate for specie reserves. Philadelphia banks maintained far closer commercial ties to banks of New York, Boston, and Baltimore than new institutions of the Susquehanna River valley and the western part of the state. Interior Pennsylvanians had their banks, but effective use of them appeared daunting due to these problems. A major issue was specie instability. Pennsylvanians with bank notes from the new banks often found themselves holding depreciated currency in comparison to notes of the older banks. Between 1814 and 1817, many of the new rural banks stopped accepting small notes and refused to offer specie in exchange for notes as a response to specie curtailment from eastern banks. Confusion caused by many different bank notes floating around the state also led to a rash of counterfeiting in the Alleghenies.⁷¹ Meanwhile, popular criticism of the country banks spread throughout the state despite their managers' successful efforts to increase specie reserves, and reduce note issuances in an attempt to maintain note values.⁷²

In the aftermath of the 1814 banking legislation, the regional politics on the banking question continued. To this effect, the Democratic *Harrisburg Chronicle* one essay with a sectional statement on the recent banking expansion:

When a competition is started in any one branch of lucrative business, and those who have amassed a fortune conspire to put down the industrious beginner, in the same pursuit—What do we think of such a coalition?...They of the city, [Philadelphia] have hitherto reaped the whole of the profit arising from Bank paper; they were extending their branches with the increasing wealth and population of the state; and it is believed that if what is called, the litter of banks; had not been pretty much the same amount of Bank paper afloat with what we see at present—But the country banks interfere with the city monopoly.⁷³

The essay suggested that rural anger directed at Philadelphia bank monopolists and western country economic expansion down the Ohio River valley had created a significant division between Philadelphia and western Pennsylvania:

The system of brokerage, practised by the Philadelphians, upon the people of the western country, has aroused the intellect and enterprize of that people, to a degree that promises *western independence* indeed. At Brownsville, Pittsburgh, Wheeling, Louisville and Cincinnati, steam boats are erecting to supply the western country [of Pennsylvania], from *New Orleans*, what has hitherto been received from Philadelphia. . . .⁷⁴

After 1815, the story of Pennsylvania banking is tied to the unfolding economic crisis that eventually becomes known as the Panic of 1819. Between 1815 and 1821, many banks faced increased political scrutiny and popular wrath as note values fluctuated. Some simply closed shop and left customers with worthless notes. Yet, the market moment surrounding the years of the War of 1812 secured a prevailing view optimistically disposed towards commercial expansion and the promise of inclusive state-regulated economic opportunity. Moreover, the regional outlook on state banking expressed in this paper would carry-over into political discussions of the late 1810s and 1820s—on issues such a state loan office, the Second Bank of the United States, and internal improvements.⁷⁵

Banking expansion and market involvement were powerful forces in Jeffersonian Pennsylvania, especially in the state's central and western regions. The dominant Democratic establishment (Jeffersonians) had become the party of market expansion, albeit one that typically supported public accountability and other measures built into the new charters. The reality of the legislative proceedings and public debate over banking between 1810 and 1815 casts some doubt on the prevailing work of historians depicting Pennsylvania Jeffersonians in the first two decades of the nineteenth century as divided over the issue of banking expansion based on philosophical differences over capitalism, and nostalgia for a "moral economy."⁷⁶ However, the notion that the Jeffersonians supported a limited government with regard to economic regulation is also not supported by the evidence surrounding the banking discussion between 1810 and 1815.⁷⁷ In fact, Pennsylvania Jeffersonians sought a banking system protected by state controls and regular monitoring of the institutions created.⁷⁸ Though not always adequately enforced, these controls included stipulations on lengths of charters, laws personally obligating bankers and stockholders, restrictions on the amount of notes issued, and measures requiring loan guarantees for producers.

The work of historians who view a positive role for banking in the early republic that reached a pivotal point around the War of 1812 resonates in the experience of Pennsylvania Jeffersonians and banking between 1810 and 1815. For example, in explaining the impact of the War of 1812 on popular economic views, Steven Watts pointed out that "a general aura of opportunity spurred an ethos of entrepreneurship and self-made success." In Watts' view, this "ethos" went beyond politics by emphasizing market production. According to Watts, this market culture focused on the desire for independence. The drive for a localized financial independence was at the heart of the market moment.⁷⁹ Interior Pennsylvanians sought independent banks, and the General Assembly took measures to ensure that the new banks would not be able to eclipse this new independence by abusing financial power. By chartering new banks, and consequently opening up capital markets, the Assembly hoped to bring the democratic process to banking. The banking issue proved that the various factions of Pennsylvania Jeffersonians agreed much more than they disagreed over the fundamental necessity for capitalist expansion, and the positive potential for banks in market development.

NOTES

1. Stevenson W. Fletcher, *Pennsylvania Agriculture and Country Life, 1640-1840* (Harrisburg, PA, 1950), 331.
2. Russell Ferguson, *Early Western Pennsylvania Politics* (Pittsburgh, PA, 1938), 215-219.
3. *Niles Weekly Register* (1814), from Asa Earl Martin and Hiram Herr Shenk, eds., *Pennsylvania History Told By Contemporaries* (New York, 1925) 443-446.
4. National Historical Association, *A History of the Juniata Valley in Three volumes*, Vol. II, (Harrisburg, PA, 1936), 513-518; E. Howard Blackburn & William E. Welfley, *History of Bedford and Somerset Counties, Pennsylvania* (New York, 1906), 176-177, 518.
5. Fletcher, *Pennsylvania Agriculture and Country Life*, 337.
6. *History of Adams County, Pennsylvania* (Chicago, 1886), 55, 185-186; Robert L. Bloom, *A History of Adams County, Pennsylvania, 1700-1990* (Gettysburg, PA, 1990) 95-100.
7. James W. Livingood, *The Philadelphia-Baltimore Trade Rivalry, 1780-1860* (New York, 1970 [reprint of 1947 original]) 15-36.
8. Kim T. Phillips, "William Duane, Radical Journalist in the Age of Jefferson," (New York, 1989 [reprint of unpublished Ph.D. dissertation from University of California at Berkeley, 1972]), 291-293; Malcolm Rogers Eiselen, *The Rise of Pennsylvania Protectionism* (New York, 1974 [reprint of 1931 thesis]), 32-35; Diane Lindstrom, *Economic Development in the Philadelphia Region, 1810-1850* (New York, 1978), 41-45; Victor A. Sapiro, *Pennsylvania and the War of 1812*, (Lexington, KY, 1970) 33-44.
9. "An ACT relating to the association of individuals for the purpose of banking," *Laws of the Commonwealth of Pennsylvania, 1803-1808*, Vol. IV, (Philadelphia, 1810) 536-537.
10. *Journal of the House of Representatives of the Commonwealth of Pennsylvania, 1810-1811* (Lancaster: State Printer, 1812), *House Journal, 1811-1812*.
11. Unchartered banks organized in these years included the Mechanics Bank (Philadelphia), the York Bank, the Farmer's Bank of Lancaster, the Bank of Chambersburg and the Bank of Pittsburgh. Jon Thom Holdsworth, *Financing an Empire: History of Banking in Pennsylvania*, Vol. 1 (Chicago, 1928), 195-270; Belden L. Daniels, *Pennsylvania: Birthplace Banking in America* (Harrisburg, PA, 1976), 135-145.
12. Frank Reid Diefendorfer, *A History of the Farmer's Bank of Lancaster, the Farmer's National Bank of Lancaster and the Farmer's Trust Company of Lancaster, 1810-1910* (Lancaster, PA, 1910), 30-31; *Democratic Press*, 5 February 1810.
13. *House Journal, 1810-1811*, 333-337; *Pittsburgh Gazette*, 27 September 1811.
14. George D. Rappaport, *Stability and Change in Revolutionary Pennsylvania*, (University Park, PA, 1996), 144.
15. For the alternative view that banks of this era were predominately "profit-seeking," see Charles Sellers, *The Market Revolution: Jacksonian America, 1815-1840* (New York, 1991), 44-47.
16. Simon Snyder, "Opening Address," 11 December 1811, *Pennsylvania Archives, Series 4, Volume 4*, 754.
17. Source: William Miller, "A Note on the History of Business Corporations in Pennsylvania, 1800-1860," *The Quarterly Journal of Economics* 55, November, 1940, 150-160.
18. These include bridge, turnpike and canal companies.

19. *Democratic Press*, 7 March 1810.
20. *House Journal*, 1809-1810, 3-5, 683. *Acts of the General Assembly of Pennsylvania*, 1809-1810, 87-88. New York passed a similar law in 1804, known as the "Restraining Law." Like the 1810 Pennsylvania law, it prohibited unchartered associations from operating as banks. Robert E. Wright, "Banking and Politics in New York, 1784-1829," (Ph.D. diss, State University of New York at Buffalo, 1996) 334.
21. On the prominence of unincorporated banks around the nation in the early decades of the nineteenth century, see J. Van Fenstermaker, *The Development of American Commercial Banking: 1782-1837* (Kent, Ohio, 1965), 21-22.
22. *Acts of the General Assembly of Pennsylvania*, 1809-1810, 87-88.
23. *House Journal*, 1809-1810, 3-5, 683.
24. Sanford Higginbotham, *Keystone in the Democratic Arch: Pennsylvania Politics, 1800-1816* (Harrisburg, PA, 1951), 203-204.
25. Emerson Lee Derr, "Simon Snyder, Governor of Pennsylvania, 1808-1817," (Ph.D. diss, Pennsylvania State University, 1960) 509-530; Richard E. Ellis, *The Jeffersonian Crisis: Courts and Politics in the Young Republic* (New York, 1971), 159-170; Ronald P. Schultz, *The Republic of Labor: Philadelphia Artisans and the Politics of Class, 1730-1820* (New York, 1993), 183-187.
26. *House Journal*, 1809-1810, 3-5, 683.
27. Stanley Elkins and Eric McKittrick, *The Age of Federalism: the Early American Republic, 1788-1800* (New York, 1993) 115-119, 259-261.
28. Herbert E. Sloan, *Principle and Interest: Thomas Jefferson and the Problem of Debt*, (New York, 1995), 211.
29. *Pennsylvania Republican*, 28 December 1813; *House Journal*, 1813-1814, 69; *Democratic Press*, 20 January 1814; *Adams Centinel*, 26 January 1814.
30. John Binns, *Recollections of the Life of John Binns written by himself with anecdotes, political, historical, and miscellaneous. With a portrait* (Philadelphia, 1854), 232.
31. *Pennsylvania Republican*, 7 December 1813, 7 January 1814.
32. Efforts to pass a "Bill to Establish a General System of Banking" in 1813 did not cause a significant popular backlash against Assembly incumbents. Results from the 1813 election indicate that the dominant country Democrats actually increased their strength in the Assembly over the Federalists and dissident Democrats, who both opposed the legislation. Higginbotham, *Keystone in the Democratic Arch*, 284.
33. Higginbotham, *Keystone in the Democratic Arch*, 287-288; *House Journal*, 1813-1814, 534.
34. *Adams Centinel*, 26 January 1814.
35. *Pittsburgh Mercury*, 16 March 1814.
36. By 1810, production of manufactured and agricultural goods was quite high in central and south-eastern Pennsylvania. This was especially true for Adams, Cumberland, Franklin, Lancaster and York counties. Lindstrom, *Economic Development in the Philadelphia Region*, 146.
37. Lindstrom, *Economic Development in the Philadelphia Region*, 1810-1850, 100-119.
38. Holdsworth also alluded to the lack of currency as the chief cause of the banking "mania." However, Holdsworth's interpretation attributes this problem more to the federal war effort than does Blackson. According to Holdsworth, the federal government's heavy reliance upon the state banks

- and private bankers for funds created a constricted credit market by the second year of the war. Holdsworth, *Financing an Empire*, 313–317; Holdsworth's explanation of the war as a base cause for banking expansion resonated in Steven Watts' broad interpretation of the War of 1812 as a crucial point in the national transition to liberal capitalism. Steven Watts, *The Republic Re-born: War and the Making of Liberal America, 1790–1820* (Baltimore, 1987).
39. *Adams Centinel*, 26 January 1814; Benjamin Morgan to Stephen Girard, 4 February 1814, Stephen Girard Papers, Girard College, Philadelphia, PA.
 40. Higginbotham, *Keystone in the Democratic Arch*, 266–268.
 41. *House Journal*, 1813–1814, 376, 534; Higginbotham, *Keystone in the Democratic Arch*, 284–288.
 42. Louis Hartz, *Economic Change and Public Policy: Pennsylvania, 1776–1860*, (Cambridge, MA, 1948), 63–64.
 43. Sources: *House Journal*, 1813–1814, 534, Elsdon C. Smith, *New Dictionary of American Family Names*, 2nd edition, (New York, 1973), Patrick Hanks and Flavia Hodges, *A Dictionary of Surnames* (New York, 1988).
 44. Recent Irish immigrants were significant in the radical Democratic faction that split Pennsylvania's Jeffersonians between 1803 and 1808. According to Kenneth Keller, this was partially due to Governor McKean's veto of a bill in 1803 to decrease the residency requirement for naturalization to two years. McKean's veto angered William Duane (an Irish immigrant), and precipitated the split. Keller also suggested that a nativist anti-Irish movement had political implications in Pennsylvania in these years. Kenneth Keller, "Cultural Conflict in Early Nineteenth Century Politics," *Pennsylvania Magazine of History and Biography* 110(4), October, 1986, 523–528.
 45. *House Journal*, 1813–1814, 534.
 46. "Logrolling" is defined as "the exchange of support or favors, esp. by legislators for mutual political gain." *The Random House College Dictionary (revised edition)* (New York, 1975) 788.
 47. Charles Biddle, *Autobiography of Charles Biddle*, (Philadelphia, 1883) 345.
 48. Bowers, "The Pennsylvania Legislature, 1815–1860" 2–3, Higginbotham, *Keystone in the Democratic Arch*, 287, Sellers, *Market Revolution*, 123.
 49. House delegations in which more than half of the delegates opposed the bill are included here.
 50. *House Journal*, 1813–1814, 534.
 51. *House Journal*, 1812–1813, 625, *House Journal*, 1813–1814, 534. Delegation votes are defined as the majority position within the delegation. Thus, if two of three delegates voted yea, the delegation's position is considered yea. Absent or abstaining delegates were counted as neutral.
 52. *Pittsburgh Mercury*, 16 March 1814.
 53. *Aurora* editorial reprinted in the *Lancaster Weekly Advertiser*, 27 March 1813.
 54. Kim T. Phillips, "William Duane, Radical Journalist in the Age of Jefferson," 294.
 55. In 1814, the *Aurora* viewed paper bank notes with some suspicion. Yet, the *Aurora's* words in 1814 reflected an attitude borne of its Philadelphia location against the spread of new banks, and locally produced Bank notes from central and western Pennsylvania.
 56. Sellers, *The Market Revolution*, 123–124; Phillips, "William Duane, Radical Journalist," 305–306; Schultz, *The Republic of Labor*, 183–187; Andrew Shankmann, "Malcontents and Tertium Quids: The Battle to Define Democracy in Jeffersonian Philadelphia," *Journal of the Early Republic* 19(1), Spring 1999, 69–72.

57. Phillips, "William Duane, Radical Journalist," 305-306 (Duane quoted in Phillips); Ronald Schultz affirmed Phillips' position that William Duane and the Old School leadership represented working-class Philadelphians at this time. According to Schultz, this group opposed banking expansion because banks and bankers exploited workingmen. However, Schultz's evidence is mainly from Duane and other Old School and labor sources beginning in 1817. Schultz, *The Republic of Labor*, 183-187.
58. *Aurora*, 29 January 1807, 13 February 1807, 25 February 1807.
59. *Aurora*, 24 February 1809, 21 April 1809, 31 August 1809.
60. William J. Duane to Stephen Girard, February 18, 1814; 13 January 1814; 4 February 1814; Stephen Girard Papers, Girard College, Philadelphia, PA.
61. *Poulson's American Daily Advertiser*, 28 March 1814.
62. *Pennsylvania Republican*, 26 January 1813.
63. *Lancaster Intelligencer*, 7 May 1814.
64. *House Journal*, 1813-1814, pp. 147-148, 151.
65. *Democratic Press*, 20 January 1814. The connection established here between banks, corporations, and stockholder liability is important. Many legislators of the early republic wanted to stimulate economic growth through corporations but remained wary over the possibility of exclusive privilege associated with corporations. The belief that corporate bodies represented government-sanctioned shelters for corrupt aristocrats recalled the pre-Revolutionary experience under the British. Pauline Maier, "The Revolutionary Origins of the American Corporation," *William and Mary Quarterly* 50(1), January, 1993, 68-69.
66. Adams County Septennial Census Records, 1814; Gettysburg Tax list, 1814, Adams County Historical Society, Gettysburg, Pennsylvania. Adams County Historical Society, *History of the Gettysburg National Bank* (Gettysburg, PA, 1914), 13-19.
67. *History of the Gettysburg National Bank* (Gettysburg National Bank, 1914), 13-19; Gettysburg Tax list, 1814, Adams County Historical Society.
68. *Franklin Repository*, 19 April 1814.
69. Wright, "Banking and Politics in New York," 675-682.
70. *The Gettysburg National Bank*, 12-19.
71. Fritz Redlich, *The Molding of American Banking: Men and Ideas, part I, 1781-1840* (New York, 1951), 43-47; Donald R. Adams, Jr., *Finance and Enterprise in Early America: A Study of Stephen Girard's Bank, 1812-1831* (Philadelphia, 1978), 45-53; J. David Lehman, "Explaining Hard Times: Political Economy and the Panic of 1819 in Philadelphia," (Ph.D. diss, University of California, Los Angeles, 1992), 157-162; James Carson to John Tod, 11 January 1816, David Mann to John Tod, 18 January 1816, John Moore to John Tod, 22 January 1816, Tod Family Papers, Pennsylvania Historical and Museum Commission.
72. Robert Blackson, "Pennsylvania Banks and the Panic of 1819: A Reinterpretation," *Journal of the Early Republic* 9(3), Fall 1989, 335-358.
73. *Harrisburg Chronicle*, 18 December 1815.
74. *Ibid.*
75. James R. Karmel, "Banking on the People: Banks, Politics and Market Evolution in Early National Pennsylvania, 1781-1824," (Ph.D. diss, State University of New York at Buffalo, 1999) chapters 7 & 8.

76. Sellers, *The Market Revolution*, 123-124; Phillips, "William Duane, Radical Journalist," 305-306; Schultz, *The Republic of Labor*, 183-187; Shankmann, "Malcontents and Tertium Quids: The Battle to Define Democracy in Jeffersonian Philadelphia," 69-72.
77. Joyce Appleby, *Liberalism and Republicanism and the Historical Imagination* (Cambridge, MA, 1992), 314.
78. For a discussion on this point, see Cathy Matson, "Capitalizing Hope: Economic Thought and the Early National Economy," *Journal of the Early Republic* 16(2), Summer, 1996, 284.
79. Watts, *The Republic Re-born*, 7-9, 329-331; Gordon Wood, *The Radicalism of the American Revolution* (New York, 1992) 336-343; Paul Gilje, "The Rise of Capitalism in the Early Republic," *Journal of the Early Republic* 16(2), Summer, 1996, 162-167.
80. Gray areas on the maps depict counties that had been defined by the General Assembly, but were not yet politically organized.