Martin Van Buren

The Greatest American President

JEFFREY ROGERS HUMMEL

President Martin Van Buren does not usually receive high marks from historians. Born of humble Dutch ancestry in December 1782 in the small, upstate New York village of Kinderhook, Van Buren gained admittance to the bar in 1803 without benefit of higher education. Building on a successful country legal practice, he became one of the Empire State's most influential and prominent politicians while the state was surging ahead as the country's wealthiest and most populous. After his election to the U.S. Senate in 1821, this consummate back-room strategist helped mastermind a reemergence of ideologically distinct political organizations out of the corrupt and faction-ridden interlude of single-party rule—euphemistically labeled the Era of Good Feelings—that had followed the War of 1812. A new Democratic Party resuscitated the old Jeffersonian alliance between planters of the South and plain Republicans of the North, united behind the charismatic hero of the West, General Andrew Jackson, and Jackson was elected to the White House in 1828.

Van Buren succeeded to the presidency as Old Hickory's heir apparent on March 4, 1837, but this triumphant fulfillment of a lustrous career would prove short-lived. The eighth U.S. president was soundly defeated in his bid for reelection in 1840, and so became the first in a series of single-term chief executives. Four years later the Democracy rejected its venerable architect as presidential nominee, and Van Buren's 1848 candidacy as standard-bearer for the Free Soilers, an antislavery third party, failed to carry a single state. The elderly New Yorker survived long enough to witness the outbreak of Civil War but passed away in July 1862 at the age of seventy-nine.

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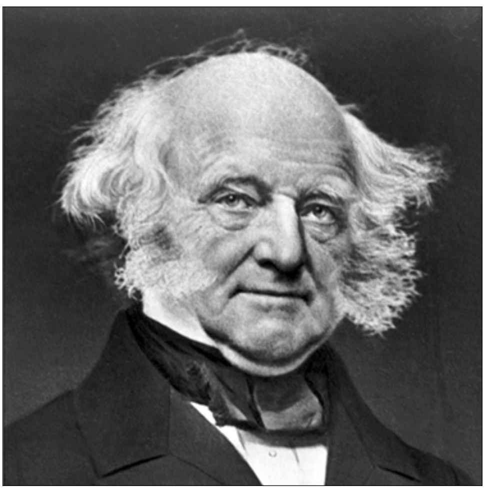
Van Buren was a lawyer-president who represented a new breed of professional politician. His opponents denounced him during his life for subtle intrigue, scheming pragmatism, and indecisive "non committalism." Those charges were reflected in such popular nicknames as the Little Magician, the Red Fox of Kinderhook, and the American Talleyrand. The ideologically compatible but personally acerbic John Randolph of Roanoke once observed that "he rowed to his objective with muffled oars," faulting him as "an adroit, dapper, little managing man," who "can't inspire respect" (quoted in Bruce 1922, vol. 2, 203, and Niven 1983, 358). Van Buren's demeanor reinforced such impressions. Appearing shorter than his five feet and six inches, he was stout and balding by the time of his inauguration, his formerly red sideburns now grey and framing a large head with a prominent brow and calculating blue eyes. Always fashionably dressed, charmingly witty, and imperturbably amiable, Van Buren never let political differences master his emotions or cloud his social relations. He was not a daring, original intellect in the mold of John C. Calhoun of South Carolina, and his ability to draw out the views of others often masked his pious devotion to orthodox Jeffersonianism.



Martin Van Buren CORBIS

Even sympathetic historians tend to slight Van Buren's term in office as the "third Jackson administration." Arthur M. Schlesinger, Jr., concludes that, while president, "Van Buren was weak in the very respect in which he might have been expected to excel—as a politician." Except during the last year in office, his management was "negligent and maladroit" and showed very little "executive energy" (Schlesinger 1945, 263). On the other hand, modern advocates of decentralization and states' rights are often more taken with Van Buren's better-known rival, Calhoun, and his doctrine of nullification. Van Buren admittedly would not go to the lengths of a John Randolph in sacrificing political success for ideological purity. Yet the New Yorker's overall career displayed far more consistency in opposing government power at all levels than did the twisting, turning path of the swaggering opportunist from South Carolina. Van Buren was also better attuned to Old Republican antistatism than the irascible, impulsive, and militaristic Old Hickory as strikingly illustrated by Van Buren's more conciliatory rejection of nullification in spite of bitter personal differences with Calhoun. Above all, in sharp contrast to his political mentor, Thomas Jefferson, the

Little Magician managed to hew more closely to principle when he was in the White House than when he was not. Indeed, a close examination of Van Buren's four years in office reveals that historians have grossly underrated his many remarkable accomplishments in the face of heavy odds. Those accomplishments, in my opinion, rank Martin Van Buren as the greatest president in American history.[1]

Foreign Policy

Greatness must be measured against some standard. Let us begin our examination with foreign policy, the area in which a president's individual traits probably can make the most difference in history's trajectory. Conventional historians tend to have a nationalist bias that makes them appreciate a strong executive who lastingly contributes to the growth of central authority. They thus have a particular weakness for wartime presidents. Unless the commander in chief turns out to be utterly inept, war allows him to show off forceful, dynamic leadership. In a 1961 collection of scholarly articles titled *America's Ten Greatest Presidents,* for instance, half the subjects were presidents who had dragged the country into war. And when the collection was revised ten years later and published as *America's Eleven Greatest Presidents,* the addition was Harry Truman, a president whose reign spread over two hot wars plus a cold war.[2]

I suggest, in contrast, that presidents merit recognition for keeping the United States out of war, and Van Buren has the unique distinction of keeping the country out of two: one with Mexico, another with Britain. Van Buren's deep commitment to peace and neutrality was evident even before he assumed the highest office. He was instrumental, as Jackson's first Secretary of State, in negotiating the opening of direct trade with the British West Indies, a long-standing American goal that the administration of John Quincy Adams had completely botched. In the midst of Old Hickory's

1. Three older biographies of Van Buren are Shepard 1899, Lynch 1929, and Alexander 1935, all of which give little space to his presidency. A more recent biography, Niven 1983, is detailed and sympathetic. But Niven likewise races through the presidential years, and his treatment of ideological issues is often sparse or nonexistent. More attentive to ideas, although harsher in its judgments, is the political biography by Cole (1984). The best book on the subject, however, is Wilson 1984, a magnificent account of the Little Magician's presidency. Another volume devoted exclusively to Van Buren's presidency, Curtis 1970, is more focused on politics and not as strong in its analysis of economics. For Van Buren's earlier years, Remini 1959 is indispensable. Unfortunately, Van Buren's autobiography (Fitzpatrick 1920) cuts off before the presidential years.

2. See Borden 1961, 1971. The chosen ten (with asterisks indicating the wartime presidents) were Washington, Adams,* Jefferson, Jackson, Polk,* Lincoln,* Cleveland, T. Roosevelt, Wilson,* and F. D. Roosevelt.* Two others from this list might be considered wartime presidents as well, because the war with the Barbary pirates occurred during Jefferson's first term, and the United States was still suppressing the Filipino insurrection when Theodore Roosevelt assumed office. Borden based his initial choices on a 1948 poll of fifty-five historians, conducted by Arthur M. Schlesinger, Sr., and published in *Life* magazine. Subsequent presidential ratings appear in Bailey 1966, Neal 1982, and Murray and Blessing 1994. Most recently, Arthur Schlesinger, Jr. (1996), reported on a recent presidential poll of historians. The predominance of wartime presidents remains unaltered throughout all these efforts.

second term, while Van Buren was serving as vice president, the president's hot temper almost provoked conflict with France over spoliation claims arising out of depredations on American commerce during the Napoleonic Wars. The vice president, fortunately, helped moderate Jackson's belligerence and bring the dispute to an amicable settlement.

Jackson's closing policies, however, handed the president-elect another potential conflict. The hero of New Orleans had looked on with pleasure as American settlers in the Mexican province of Texas declared independence in 1836 and staged a successful revolt. Popular expectations ran high on both sides of the southwest border that the fledgling Texas Republic would soon join the United States. But Mexico refused to recognize the new nation, and the Texas constitution sanctioned slavery, setting off a hue and cry among American abolitionists about the Slave Power's latest expansion into new territory. Any annexation by the United States threatened both a foreign war and domestic political controversy between Southerners and Northerners. Although the Little Magician helped to delay formal U.S. recognition of Texas independence until he had won the 1836 presidential election, the retiring Jackson menacingly pressed American claims for monetary damages against the Mexican government.

But the new president, unlike his predecessor, was not eager for war in the southwest. On top of his sincere desire for friendly relations with all foreign powers, Van Buren correctly foresaw that territorial expansion might split Democratic ranks. He therefore deftly rebuffed Texan overtures, and his Secretary of State, John Forsyth of Georgia, announced on August 25, 1837, the administration's formal rejection of the offer of annexation. Over the next two years Van Buren's diplomatic skill and patience got the Mexican government to accept arbitration of U.S. claims by a commission made up of two members from each country and one member designated by the King of Prussia.

The eighth president's hope for peace endured well after he left office. Machinations by President John Tyler of Virginia and none other than John C. Calhoun subsequently catapulted Texas annexation into the midst of the 1844 presidential campaign. Van Buren was then front-runner for the Democratic nomination. Yet he issued a public statement favoring annexation only if it could be accomplished without upsetting U.S. relations with Mexico, fully aware that the qualification would cost him politically. "We have a character among the nations of the earth to maintain," Van Buren avowed. Whereas "the lust of power, with fraud and violence in the train, has led other and differently constituted governments to aggression and conquest, our movements in these respects have always been regulated by reason and justice" (quoted by Sellers 1991, 415). An increasing number of Southern Democrats, including the dying but still influential Jackson himself, turned away from the New Yorker.

3. Both Curtis (1970, 152–88) and Wilson (1984, 147–69) provide excellent coverage of Van Buren's foreign policy. For additional details on Texas and Mexico, consult Smith 1919 and 1941, Merk 1972, Pletcher 1973, and Morse 1997.

The Little Magician held support from a majority of delegates as the party's convention opened in Baltimore, but the convention rules required a two-thirds vote to nominate. After eight deadlocked ballots, the delegates settled on the first dark-horse candidate in American history: James Knox Polk of Tennessee, an ardent expansionist. Polk would win a slim victory at the presidential polls and then conduct the very war that Van Buren had tried so hard to prevent.[3]

President Van Buren also could have had a war over Canada. The United States had twice mounted military expeditions to conquer its northern neighbor, first during the American Revolution and again during the War of 1812. At other times, annexation was considered, sometimes to the point of encouraging insurgencies similar to those that helped the United States swallow Florida and Texas. Van Buren had been in office less than a year when rebellions broke out in both Lower and Upper Canada. Americans lent support to the rebel "Patriots" in the form of recruits and provisions, and although Canadian authorities easily dispersed any organized resistance, border incidents kept anti-British feelings at a fever pitch, especially in the president's home state. In December 1837 a raiding party of Canadian militia violated U.S. territory near Buffalo, New York, killing one U.S. citizen, in order to burn a small steamship, the *Caroline*, that was transporting supplies to the rebels. In retaliation, a group of Americans boarded and burned the Canadian steamer *Sir Robert Peel* on the St. Lawrence in May 1838.

Any one of these incidents might have led to a declaration of war, had Washington and London wanted a fight. The president responded to the crisis by issuing two strong proclamations of neutrality, by calling out the militias of New York and Vermont to enforce the proclamations, and by sending General Winfield Scott on a mediatory mission. Scott was a member of the opposition Whig party but a loyal subordinate. A giant man, he traveled up and down the eight-hundred-mile frontier in full dress uniform, using little more than his personal influence to calm inflamed passions.

No sooner had the one crisis subsided than another, even more dangerous, flared up. The boundary between Maine and New Brunswick since 1783 had left twelve thousand square miles in dispute. Canadian lumberjacks took up timber operations in the disputed region along the Aroostook River during the winter of 1838–39. When the Canadians refused an order of the Maine legislature to leave, the state militia marched to the river and nervously faced New Brunswick troops in a confrontation that became known as the Aroostook War. Democratic Governor John Fairfield of Maine warned Van Buren that "should you go *against* us upon this occasion—or not espouse our cause with *warmth* and *earnestness* and with a true *American feeling*, God

4. Again, Curtis 1970 and Wilson 1984 are fine accounts of Van Buren's diplomacy. Corey 1941, an older work on Canadian–American relations, can be somewhat unreliable on Van Buren's role. The best treatment of the disputes with Canada is Jones 1977. Also helpful are Burrage (1919, 231–311); Elliott (1937, 335–44, 356–66); Kinchen 1956; Eisenhower (1997, 176–23, 195–203); and Stevens 1989.

only knows what the result will be *politically*" (quoted in Curtis 1970, 185). Realizing that a single diplomatic misstep could cause tensions in either country to erupt into bloodshed, the president emphatically supported Maine's claim but warned Governor Fairfield that the federal government would not tolerate the state's unilaterally drawing it into open hostilities. As Congress authorized fifty thousand volunteers, extended militia drafts from three to six months, and appropriated $10 million for war, Van Buren again dispatched General Scott to the trouble spot. Together they negotiated a truce in which both sides withdrew their forces in March 1839.[4]

None of the outstanding issues between the United States and Canada had been resolved fully when President Van Buren stepped down in 1841. The Maine boundary was still unsettled, the United States was still demanding an apology for the *Caroline* incident, and the British government was vigorously protesting New York state's murder trial of a Canadian deputy sheriff, Alexander McLeod, for his participation in the *Caroline* raid. Nonetheless, the Little Magician's astute and unruffled diplomacy had preserved the peace, leaving final settlements to a future administration. In this case, President Tyler followed Van Buren's lead by negotiating the Webster-Ashburton Treaty of 1842 with Britain, bringing all major questions to a mutually satisfactory conclusion. What made President Van Buren's peaceable determination all the more exemplary was its political cost. During his reelection bid in 1840, Whig victories in the normally Democratic northern tier of New York counties cost him that state, and for the only time ever in a presidential race, the Whig Party carried Maine and Michigan. Indeed, a few of the Red Fox's closest political advisors had privately urged him to *start* a foreign war in order to distract public attention from the administration's domestic difficulties (Wilson 1984, 100, 145).

Divorce of Bank and Government

With respect to domestic policies, Martin Van Buren would have been quite pleased to let his time in office become a placid addendum to the tumultuous eight years of President Jackson. One historian, Major L. Wilson, has characterized Van Buren's inaugural address as "essentially a charter for inaction" (1984, 39). It contained nothing more innovative than calls for "strict adherence to the letter and spirit of the Constitution" and for "friendship of all nations as the condition most compatible with our welfare and the principles of our Government" (Richardson 1922, vol. 2, 1536–37). But fate ironically intervened. Only two months after the inauguration, a major financial panic engulfed the country's eight hundred banks, forcing all but six to cease redeeming their banknotes and deposits for specie (gold or silver coins).

The preceding presidency had slowly and painfully brought ideological definition to the Democratic Party. Van Buren, for instance, had persuaded Old Hickory to veto appropriations for the Maysville Road, eventually making opposition to nationally funded internal improvements part of the Democratic canon. Although the Little

Magician had once supported protective tariffs in an effort to enlist northern votes for Jackson's election, whereas Jackson himself had been evasive, the nullification crisis put the Democracy solidly behind tariff reduction. But the controversy that came to eclipse all others in drawing new party lines was the Bank War. The hardening disposition of President Jackson and his western advisors against a nationally chartered bank escalated from Jackson's resounding veto of the bill to recharter the Second Bank of the United States in 1832 into a crusade to destroy what they called "the Monster." The Treasury gradually transferred its sizable deposits from the Second Bank into an assorted group of state-chartered banks, and then in July 1836, Old Hickory issued a "Specie Circular," requiring payment for public land in gold or silver only, rather than banknotes.

By the time of Van Buren's elevation to the White House, hostility to any new national bank unified all Democrats. Within this consensus, however, two factions had arisen. The less numerous but more radical group, epitomized by Senator Thomas Hart Benton of Missouri and the Locofoco contingent of New York City Democrats, advocated a complete "divorce" of the national government from dealings with all banks in an effort to promote hard money. The majority, led by Senators Nathaniel P. Tallmadge of New York and William C. Rives of Virginia, who would soon style themselves "Conservatives," believed that the "credit system" promoted economic growth and wanted to maintain the intimate relationship between the government and state-chartered deposit banks. They had gone so far as to join with the opposition in Congress to repeal Jackson's Specie Circular, only to have the General pocket veto the bill.

Van Buren at first tried to reconcile the two factions, as befitted his personality and past record. On the one hand, when serving in the New York legislature, he had voted against all bank charters, save one for war-ravaged Buffalo, and as early as 1817 had advocated throwing banking open to unrestricted competition—a radical proposal two decades ahead of its time. On the other hand, as the Empire State's governor in 1829 he had sponsored creation of the Safety Fund, a system of government-mandated banknote insurance. The Panic of 1837, however, pushed Van Buren, along with many other wavering members of his party, unequivocally into the radical camp. If the national government did not sever its relationship with the suspended state banks, with their unredeemable, depreciating paper currency, then it would be in the same position as at the close of the War of 1812, when financial chaos had provided the impetus for chartering the Second Bank.

Holding firm against mounting pressure to revoke the Specie Circular, the president called an emergency session of Congress to convene at the beginning of September 1837. His message to this first special legislative session since the presidency of James Madison was a bold and acute program to meet the depression with government retrenchment. "All communities are apt to look to government for too much," warned Van Buren. "Even in our own country, where its powers and duties are so strictly limited, we are prone to do so, especially at periods of sudden embarrassment and distress." To yield to this temptation, however, would be a mistake, because "all former attempts on the part of the Government" to "assume the management of domestic or foreign exchange" had in his opinion "proved injurious." What was needed was a "system founded on private interest, enterprise, and competition, without the aid of legislative grants or regulations by law," one that embodied the Jeffersonian maxim "that the less government interferes with private pursuits the better for the general prosperity." The president therefore refrained "from suggesting to Congress any specific plan for regulating the exchanges of the country, relieving mercantile embarrassments, or interfering with the ordinary operation of foreign or domestic commerce," because such measures "would not promote the real and permanent welfare of those they might be designed to aid."[5]

Daniel Webster, Whig Senator from Massachusetts, denounced the President's message for "leaving the people to shift for themselves."[6] The lone exception to Van Buren's rejection of government activism was a proposal for a new bankruptcy law that would allow the national government to shut down any bank that too long suspended specie payments. The Twenty-fifth Congress refused even to consider this measure. But it quickly enacted the president's suggestion to grant importers a six-month moratorium on payment of custom-house bonds. What made this particular tax relief significant is that tariffs were the national government's only source of revenue at the time, besides the sale of public lands. Of still greater import was the legislature's willingness to go along with Van Buren's insistence on halting the distribution of federal money to the state governments. Senator Henry Clay of Kentucky and his neo-Hamiltonian Whigs had saddled the previous administration with this nineteenth-century version of modern revenue sharing after the national debt had been paid off for the first and only time in American history. General Jackson, "with a repugnance of feeling, and a recoil of judgment," according to "Old Bullion" Benton, had agreed to the distribution of the surplus because Calhoun (who else?) had incorporated it into a bill regulating the Treasury's dealings with the deposit banks.[7] But after the panic, federal revenues declined, and there was no longer any

5. Richardson (1922, vol. 2, 1547, 1561–62). Van Buren also discussed the causes of the panic, in probably the most economically sophisticated presidential address ever penned. His explanation combined a rudimentary version of the Austrian trade-cycle theory and a discerning presentation of the real-bills doctrine, along with an emphasis on the international factors that cliometricians have recently demonstrated to be decisive. On top of all that, the message made an objection to a national bank that remains unanswered still: "In Great Britain where it has been seen the same causes have been attended with the same effects, a national bank possessing powers far greater than are asked for by the warmest advocates of such an institution here has also proved unable to prevent an undue expansion of credit and the events that flow from it" (1545–46).

6. *Congressional Globe* (January 31, 1838), 25th Cong., 2d sess., appendix, 606.

7. Benton (1854–56, vol. 1, 657). Calhoun's role in putting distribution into the Deposit-Distribution Act of 1836 is revealed in McFaul (1972, 132–34) and Wiltse (1949, 257–58, 265–67). Although Jackson himself had earlier toyed with idea of distribution, his preferred plan was to eliminate the surplus by reducing tariffs and land prices, whereas the Democrats in Congress had proposed investing the surplus in state bonds. See Remini (1984, 322–25); Sellers (1957, 223–33); Bourne 1885; and Timberlake 1960a, which was revised and reprinted as chapter 5 of Timberlake 1993.

surplus revenue to hand out. Along with ending distribution, Congress accepted Van Buren's preference to finance the reappearing national debt with $10 million worth of short-term Treasury notes rather than long-term loans.

But the centerpiece of the Little Magician's special message was his courageous call for a total separation of bank and State through an Independent Treasury. The Independent Treasury was an idea that could assume several forms and accommodate differing views on currency and banking, but its most fundamental requirement was that the government hold all monetary balances in the form of specie, rather than banknotes or deposits. Either existing Treasury officials or newly established subtreasuries could serve this function. Some versions restricted to specie all payments received by the government as well, whereas others let the Treasury accept notes from specie-paying banks so long as they were speedily redeemed or paid back out. Such ultra-bullionists as Senator Benton hoped that the Independent Treasury, by eliminating government support for banknotes, would ultimately drive the notes out of circulation and return the entire economy to an exclusive hard-money currency. Supporters of unregulated banking, among them Dr. John Brockenbrough, president of the Bank of Virginia, realized that the national government's finances were too small relative to the economy to effect that result and hoped instead that a divorce would be good for the state banks. Still others, including Secretary of the Treasury Levi Woodbury of New Hampshire, wanted to supplement the Independent Treasury with some federal regulation of banking, such as restrictions on banknotes of small denominations. And some proponents went so far as Senator James Buchanan of Pennsylvania, who favored a government-issued paper money, anticipating the Greenbacks and gold certificates of the Civil War.[8]

Administration spokesman Silas Wright of New York introduced into the Senate an Independent Treasury bill that simply assigned the keeping of funds to existing officials and was silent on how payments could be made. Calhoun then startled members of both parties with another one of his sudden but inept political reversals. Abandoning his Whig allies, he announced his support for the administration initiative. Calhoun, however, wanted to modify it by turning Treasury notes into a permanent government currency and by phasing in over four years a requirement that the Treasury Department accept only specie or its own notes. Because a specie requirement was already implicit in Van Buren's message, the administration had to accept

8. Wilson 1984 offers the most complete (indeed almost the only) discussion of the alternative versions of the Independent Treasury and the differing views of its supporters. Schlesinger (1945, 227–29) is still one of the best accounts of the intellectual origins of this idea, but also see Dorfman (1946, vol. 2, 610–14). The Jacksonian hard-money theoretician William M. Gouge first proposed it (Gouge 1833). In 1834 Philadelphia economist Condy Raguet tried to interest members of Congress in the proposal, and Congressman William Fitzhugh Gordon of Virginia, a former Democrat who had followed Calhoun out of the party, aired the idea in the House. Meanwhile Jackson's acting Secretary of the Treasury, Roger B. Taney, hired Gouge as a clerk in the department. Thus Calhoun's claim, endorsed by his biographer Wiltse (1949, 343–61), that it was the Nullifier who prompted Van Buren into pushing the Independent Treasury is ludicrous.

this amendment. Although the widespread bank suspensions had tended to discredit state banks as government depositories, Calhoun's amendment now stiffened the opposition of Conservative Democrats to the divorce bill. Nor did it help when the Calhounites portrayed divorce as a sectional issue that would free the South from northern capital, linking the question to the interminable debates over abolitionist petitions that were preoccupying Congress at the time. The amended divorce bill passed the Senate by two votes, but it was tabled in the House. In later sessions, when the administration reluctantly dropped the specie requirement in order to pick up Conservative votes, the Nullifier turned against the measure.

Yet in effect the Treasury was already independent. The Currency Resolution of 1816 forbade the government to receive banknotes not redeemable in specie, another law forbade paying them out, and the Deposit-Distribution Act of 1836 prohibited the Treasury from holding funds in any suspended bank. The president ordered federal officials to comply with these regulations as far as possible, which meant that, with the exception of the balance in deposits tied up at the time of the panic, the Treasury was receiving, holding, and paying out only specie or Treasury notes. Once the banks resumed specie payments in May 1838, most of them still could not qualify as depositories under the Deposit Act's restrictions, because during the suspension they had issued small-denomination notes. Frustrated at congressional obstinacy, Van Buren half considered emulating Old Hickory's high-handedness by establishing an Independent Treasury through executive order, but such a violation of legislative prerogatives suited neither his temperament nor his philosophy.

Meanwhile the depression hurt the administration politically. Elections in the fall of 1837 turned against the Democrats in many states, particularly New York, where the Whigs gained an overwhelming majority in the state legislature's lower house by winning a stunning sixty-seven seats. The "New York tornado," as the shocked Van Buren called it, was followed a year later by the capture of the Empire State's governorship by Whig candidate William H. Seward. The combination of Whigs and Conservative Democrats in the Twenty-fifth Congress continued to block enactment of the Independent Treasury throughout much of the eighth president's term. Despite favorable votes in the Senate, the House of Representatives voted against a divorce bill during the first regular session, in 1837–38, and refused to vote on it at all during the second regular session, in 1838–39. The legislators were far more interested in a scandal that the Treasury had just uncovered in the New York City Customs House. The collector, Samuel Swartwout, had allegedly embezzled over the previous eight years the astonishing sum of $1.23 million and then fled to Europe. Even though Swartwout was an old Jackson appointee to whom Van Buren had vigorously objected, and moreover a former Calhoun favorite who was now a Whig, the Democratic administration found itself on the defensive.[9]

9. For a revisionist defense that asserts the amount that the New York collector owed was only $200,000, exactly as much as he admitted to, see Brunson 1989.

Van Buren nonetheless scored some unheralded successes. After bank resumption in 1838, administration stalwarts in Congress defanged a new Whig-Conservative effort to revoke the Specie Circular by converting it into an act that merely made it unlawful to treat receipts from public land differently than other revenue. The Secretary of the Treasury thereby gained the discretionary authority to accept only specie for all payments or also banknotes for all payments. The divorce bills furthermore had shifted the terms of the debate and forestalled any proposal for a new national bank. The Little Magician had instead maneuvered Clay and the Whigs into a political defense of the same "pet" bank system they had so vociferously denounced during Jackson's presidency. He also had achieved an uneasy reconciliation with Calhoun and a few other states' rights Southerners whom the autocratic Jackson had driven out of the Democratic camp. Finally the Conservative insurgency, if not smoothed over, was at least contained. Failing to gain dominance within Democratic councils, the Conservatives faced the alternatives of either following their prominent leaders Tallmadge and Rives into the Whig Party or again submitting to their own party's discipline. One indication of increasing Conservative isolation was the editorial shift of the New York Democracy's official newspaper, the *Albany Argus*. It went from lukewarm about the Independent Treasury to a ringing announcement in June 1838 that "we believe the time has emphatically come for the separation of bank and state" (Wilson 1984, 113).

Van Buren's refusal to abandon the goal of divorce ultimately paid off as the political tide turned in late 1839. When a second suspension of specie payments spread to half the country's banks that October, it seemed to verify the administration's suspicion of state depositories. The Democrats managed to retain control of both houses of the Twenty-sixth Congress, which met for its first session in December. The president's annual message renewed the call for an Independent Treasury, reinforcing it with new arguments. The latest suspension was more obviously the result of international factors than had been the Panic of 1837, which had coincided with all the confusing policy changes of Jackson's Bank War. Van Buren now argued that only divorce could free the U.S. economy from "this chain of dependence" on credit flows of "the money power in Great Britain." The message also dampened the laissez faire tone of Van Buren's earlier message to the special session

10. Richardson (1922, vol. 3, 1762, 1766, 1769). Congress had already enacted a series of Jackson administration proposals designed to promote hard money: (1) an 1834 change in the mint ratio to encourage the circulation of gold coins; (2) an 1835 expansion of the United States Mint; (3) a renewal of the legal-tender status of foreign coins; and (4) a phased-in prohibition in the Deposit-Distribution Act of 1836 against the issue of small banknotes by government depositories, which replaced prohibitions the Secretary of the Treasury had already imposed administratively. See Martin 1974. The hostility to small banknotes dated back to Adam Smith, was not confined to hard-money advocates, and was implemented by many state statutes. It was, however, at cross purposes with the new mint ratio, which tended after the California gold discoveries to drive silver coins out of circulation. Because silver coins were more suitable for small transactions, the interaction of the mint ratio with prohibitions on small notes created a shortage of cash in small denominations. Timberlake (1993, chap. 9) is the only economist to examine this problem seriously. The Coinage Act of 1853 was a subsequent attempt to rectify the deficiency by authorizing subsidiary silver coins, but the economy still relied heavily on private alternatives. Details are in Carothers 1930.

and accentuated its hard-money radicalism with a willingness to consider "additional legislation, or, if that be inadequate, . . . such further constitutional grants or restrictions" that might check "excessive note issues."[10]

Fortunately the legislators voted down both a bankruptcy bill, similar to the one the president had suggested in his earlier message, and Senator Buchanan's proposed constitutional amendment authorizing Congress to ban banknotes of less than $20. The tireless Senator Wright again introduced a divorce bill in the Senate, this version including both special subtreasuries to hold government funds and Calhoun's specie requirement for receiving payments. The bill sailed through the Senate at the end of January 1840, but the House, experiencing more than its usual disorder and delay over disputed seats and choice of speaker, did not pass the measure until June. Van Buren waited until July 4, 1840, to sign the law, symbolically confirming the words of the *Washington Globe,* the administration mouthpiece, which nearly three years earlier had hailed the Independent Treasury as "the second declaration of independence" (*Washington Globe,* September 5, 1837, quoted in Schlesinger 1945, 236).

Panic and Deflation

The Independent Treasury ushered in an era of financial deregulation at the national level. Although it was repealed in 1841, the Whigs, after capturing the White House, could not agree among themselves about an alternative. President William Henry Harrison died after less than a month in office and was succeeded by Vice President John Tyler, an apostate Democrat. Tyler vetoed Henry Clay's two bank bills, leaving the government's deposit system unregulated by law. Use of state banks remained at the Secretary of the Treasury's discretion until President Polk, a doctrinaire Jacksonian who enthusiastically embraced the fiscal heritage of Van Buren, secured reenactment of what he preferred to call a Constitutional Treasury in August 1846. The act of 1846 was identical in substance to that of 1841 and determined the country's financial regime until the outbreak of the Civil War.

Laissez faire may not have been the intent of all those who supported the divorce of bank and government. And perhaps a more efficient way to attain that goal would have been to freely charter competitors with the Second Bank, allowing them equal powers of interstate branching, rather than abolishing that institution altogether. Nonetheless, laissez faire was the Independent Treasury's primary consequence. There was no nationally chartered bank, the Treasury for the most part avoided dealing with the many state-chartered banks, and the only legally recognized money was gold and silver coins. Because the economy's currency consisted solely of bank notes redeemable in specie on demand, private competition regulated the circulation of paper money.

Although traditional historians have subjected this era of relatively unregulated banking to trumped-up charges of financial instability, many economists are coming to agree that it was probably the best monetary system the United States has ever had.

The alleged excesses of the fraudulent, insolvent, or highly speculative "wildcat" banks were highly exaggerated. Total losses suffered by banknote holders from 1836 to 1861 in all the states that enacted free-banking laws would not equal the losses for one year from an inflation of 2 percent, if superimposed onto the economy of 1860. Moreover, most of those losses resulted from too much regulation, not too little. Lingering at the state level were prohibitions on branch banking, mandates for minimum specie reserves, restrictions on the issue of small-denomination banknotes, and requirements that banks purchase state bonds, which at that time were among the most dubious investments. The banks were also still vulnerable to international flows of specie. No monetary system is perfect. But by any objective comparison this one was relatively stable and crisis-free.[11]

Historians who dismiss the Independent Treasury as constraining the government "to accept payments and to make them in an antiquated medium" more "suitable for the War of the Roses" (Hammond 1970, 23, 24) have never adequately explained the relative quiescence of monetary debates during its operation. The First and Second U.S. Banks had divided political parties since the adoption of the Constitution. The Civil War's national banking system and Greenbacks subsequently induced fresh convulsions over currency questions. If the Independent Treasury was in fact so obviously deficient, why did it provoke no similar political outcry? Moreover, its reenactment coincided with heavy expenditures for Polk's war against Mexico, yet that military effort caused the economy less financial dislocation than any previous American war. During the nation's next financial panic, in 1857, the Treasury was effectively insulated from the bank suspension. There is also no evidence that the Independent Treasury hobbled the country's economic growth.[12]

The domestic policies of the Van Buren presidency, however, did more than bequeath a superior financial regime. They also thwarted all attempts to use economic depression as an excuse for expanding government's role. Prior to the Panic of 1837, state governments—in an uncanny parallel to the recent currency crises in east Asia and Russia—had borrowed more than $100 million from abroad to finance lavish and wasteful internal improvements. Most states experienced financial stringency as a result of the panic, and many became desperate. By 1844, state bonds previously worth $60 million were in default. Three states—Arkansas, Michigan, and Mississippi—as

11. The standard condemnation of the free-banking era is most readily accessible in Hammond 1957. Subsequent research has so thoroughly overturned everything Hammond had to say about the politics of banking, and modern economic and financial theory has so thoroughly outdated all of his theoretical analysis, that it is astonishing that scholars still take this work seriously. The revisionist research on free banking has been spread mainly through journal articles; three summaries are Sechrest (1993, chap. 6), Dowd 1992, and Rockoff 1991. Most contributions to this revision are either by Rockoff (1971, 1972, 1985, 1974) or by Rolnick and Weber (1982, 1983, 1984, 1985, 1986).

12. Works on the operation of the Independent Treasury include Kinley 1893, Phillips 1909, Taus 1943, and Timberlake 1960b, reprinted as chapter 6 in Timberlake 1993. Subtreasury vaults for holding government funds formally lingered on until 1921, when the Federal Reserve System superseded them, but none of the motivating hard-money features remained. The Civil War's national banking system and Greenbacks had by then eviscerated the Independent Treasury.

well as the Florida territory repudiated their debts outright (Ratchford 1941, 77–134; McGrane 1935; Scott 1893). Henry Clay saw this situation as a heaven-sent opportunity to revive his distribution scheme under a new pretext. Hence, the Whigs of the Twenty-sixth Congress advocated that the national government bail out the states by assuming their debts. Clay's party also had its own proposal for a bankruptcy law, not one like Van Buren's that would close banks involuntarily, but rather one that would allow individual debtors voluntarily to escape their obligations.

Democrats under the Little Magician's leadership not only blocked these initiatives but pushed government involvement in the opposite direction. Although total national expenditures suddenly spiked to $37.2 million in 1837, overall they declined through Van Buren's four years, from $30.9 million in 1836 to $24.3 million in 1840. That represents a 21 percent fall in nominal terms, no more than half as much if adjusted for price changes, but somewhere in between if adjusted also for population growth or the economy's size (U.S. Department of Commerce 1975, Series Y335-38). Many of the spending cuts came in the realm of internal improvements, especially for rivers and harbors, where Van Buren was far more stringent than Old Hickory had been.[13] As for revenue, tariff rates were already falling as a result of programmed reductions worked out during the compromise over nullification. So the president threw his weight behind two measures that would bring the allocation of public land into closer alignment with the homestead principle: preemption, giving settlers who cultivated the land first option to buy, and graduation, reducing the price on unsold land. Graduation failed to pass, but Congress renewed earlier preemption acts twice during the New Yorker's term.[14] At the end of the four years, following significant cuts in both national spending and revenue, the depression-generated debt was holding near $5 million.[15]

Closer examination of the economy's fluctuations reveals the enormous benefits of this retrenchment. The two banking crises that dominated the Van Buren administration had similar causes but different outcomes. In both cases, the proximate cause was a decline in foreign inflows of specie precipitated when the Bank of England raised its discount rate. The Panic of 1837, however, was a sharp and short correction

13. Speech of Congressman J. A. Rockwell of Connecticut, *Congressional Globe* (January 11, 1848), 30th Cong., 1st Sess., appendix, 106; U.S. Senate Executive Documents, no. 196: 114, 286, 340, 521, 529.

14. Feller 1984, which supersedes both Stephenson 1917 and Wellington 1914. Congress had passed the first preemption act in 1830, but it was retrospective, applying to *past* squatters on government land, and so required periodic renewal.

15. Van Buren, in December 1840 after his electoral defeat, summarized what he considered his administration's accomplishments. His fourth annual message to Congress listed "two-contested points in our public policy" that had dominated his term: "I allude to a national debt and a national bank. . . . Coming into office the declared enemy of both, I have earnestly endeavored to prevent a resort to either." Unwilling to raise taxes to balance the budget, Van Buren could claim: "The small amount of Treasury notes . . . still outstanding" is less "than the United States have in deposit with the States." Here Van Buren was referring to the $28 million distributed to the states, technically in the form of a loan, by the Deposit-Distribution Act of 1836 (Richardson 1922, vol. 3, 1824, 1828).

that followed close on the heels of two years of price inflation at an annual rate approaching 15 percent. After wholesale prices fell back nearly 20 percent over a year, while output declined less than 5 percent, the economy seemed to recover. The suspension of 1839, in contrast, hit fewer banks but foreshadowed a protracted deflation. The country's total money stock—specie, banknotes, and bank deposits—declined by one-third during the next four years, and prices plummeted 42 percent.[16]

Many economists have been struck by the comparison between this second episode, the deflation of 1839–1843, and the subsequent Great Depression of 1929–1933. Qualifying as the two most massive monetary contractions in American history, they were of identical magnitude and extended over the same length of time. But there the similarities end. During the Great Depression, as unemployment peaked at nearly 25 percent of the labor force in 1933, U.S. production of goods and services collapsed by 30 percent. During the earlier nineteenth-century contraction, investment fell, but amazingly the economy's total output did not. Quite the opposite; it actually rose between 6 and 16 percent. This episode was nearly a full-employment deflation. Nor are economists at any loss to account for the widely disparate performances. The American economy of the 1930s was characterized by prices, especially wages, that were rigid downward, whereas in the 1840s prices could fall fast and far enough to restore market equilibrium quickly.[17]

But why were prices and wages so much more flexible when Van Buren was at the helm? The fact that the Great Depression, America's deepest and longest economic downturn, was also the first to be met with a comprehensive program of federal intervention offers some hint. Intervention commenced, furthermore, not with the well-known New Deal of President Franklin D. Roosevelt, who did not enter office until early 1933, when the economy was almost at rock bottom, but with his predecessor, Herbert C. Hoover. This progressive Republican's long tenure during

16. The best overall treatment of these economic fluctuations and their causes is Temin 1969. But alsoconsult chapter 5 of Timberlake 1993. Together Timberlake and Temin have demolished the traditional view that Jackson's Specie Circular brought on the banking crisis of 1837. As Timberlake concludes, "The Specie Circular was dramatic but inconsequential" (61). However, Temin inexplicably rejects Timberlake's persuasive case that Clay's distribution of the surplus was a major contributing factor to the earlier panic. Additional details are in McGrane 1924, Smith and Cole 1935, Rezneck 1935 (reprinted as chapter 4 of Rezneck 1968), Macesich 1960, and Rockoff 1971. Although there are crude consumer price indices dating back to this period, I have followed Temin and other authorities in quoting the more reliable and extensive wholesale price indices. Presumably consumer prices would show less amplitude in their fluctuations. Noneconomists tend automatically to assume that because the price decline was more severe after the suspension of 1839 than after 1837 that the resulting depression must also have been more severe. As we shall see, the evidence does not support that conclusion.

17. Most of this comparison is drawn from Temin (1969, 157). His table shows the money stock falling by 27 percent during the Great Depression, because he was looking at M1. If he had used M2 instead, which is more consistent with his nineteenth-century definition of the money stock, he would have found the two monetary contractions to be of almost identical magnitudes. To get the 16 percent increase in output for 1839–1843, Temin relies on Robert E. Gallman's unpublished annual estimates of U.S. GDP. Berry 1988 offers less satisfactory estimates, which yield only a 6 percent rise in output over the four years. Others who have noted similarities between the two episodes include Friedman and Schwartz (1963, 299), North (1961, 202), and Hammond (1957, 529). Hammond as usual misinterprets the evidence and draws the wrong conclusion.

the 1920s as Secretary of Commerce, promoting trade associations, product standardization, and business cartels, prepared him to meet the stock-market crash of October 1929 with a vigorous effort to stop any fall of prices. Starting with a series of White House conferences at which he jawboned business leaders into "voluntarily" holding up wage rates, Hoover pressed with mixed results for further cartelization in agriculture, in the cotton textile industry, in commercial aviation, and in the energy industries—coal, oil, and electricity. He also signed into the law in 1932 the largest peacetime tax increase in U.S. history, and practically closed the borders to foreign trade with the Smoot-Hawley Tariff of 1930, the highest in American history, in an effort to hold up prices internationally. Roosevelt's National Recovery Administration and Agricultural Adjustment Administration simply made this concerted campaign for price supports more formal.[18] Indeed, prices still dropped by 31 percent from 1929 to 1933, but not nearly as much as during the deflation of the 1830s and 1840s. Although government policies may not explain fully the price rigidity of the 1930s, they explain a lot.

The Little Magician, of course, was not single-handedly responsible for preventing the earlier deflation from becoming another Great Depression. His heroic resistance to the expansion of central power received vital aid from the Democratic coalition that he had helped to forge. And given that total federal spending started at less than 2 percent of GDP in the mid-1830s, as compared with nearly twice that in the 1920s, Clay's misguided recovery measures would probably not have been as economically devastating as those of Hoover and Roosevelt. Once Van Buren's term ended, a few of Clay's measures were implemented briefly. Congressional Whigs secured President Tyler's assent to their voluntary bankruptcy bill, to a watered-down distribution of the proceeds from land sales to the states, and to a tariff hike, justified as a way to eliminate depression deficits. But the distribution was abruptly ended in 1842, after only a year, in order to secure enough legislative votes for the tariff increase, and the Whigs themselves were embarrassed into repealing the bankruptcy act in 1843 after thirty thousand fortune-seekers had used its provisions to escape from more than $400 million of debt.[19] The deflation had just about run its course anyway, and by 1846 the new Polk administration had brought the tariff back down. The refusal to bail out defaulting state governments produced a widening ripple of salutary effects, not the least of which was to make more difficult any future squandering of state money on public works and government-owned railroads. The Red Fox of

18. Hoover's contributions to price rigidity are exposed in three works by Rothbard (1970, 1972, 1975). See also Vedder and Gallaway (1997, 74–111, 128–49).

19. Warren 1935, 56–85. A compromise bill, providing for both voluntary and involuntary bankruptcy but exempting corporations (which means all state-chartered banks), passed the Senate on June 25, 1840, while Van Buren was still in office, but was rejected by the Democrat-controlled House. The Whigs in 1841 passed a similar measure with some blatant logrolling, in which western votes for bankruptcy were bought with the promise of eastern votes for distribution.

Kinderhook thus had held the pass at the crucial time, when doing so was politically unpopular, against powerful mercantile, financial, and other special interests clamoring for national assistance. For the depression of 1837, more than any other factor, brought about his trouncing in the presidential election of 1840 at the hands of General Harrison, hero of the battle of Tippecanoe.

Compromises with Power

No politician, especially one successful enough to be elected to the United States' highest office, can be perfect. Van Buren's most morally egregious and fiscally exorbitant compromises with government coercion stemmed from his faithful adherence to Jackson's ruthless program of Indian removal. Most of the southwestern tribes had already gone to Oklahoma, but an assortment of northwestern tribes still awaited deportation beyond the Missouri River. More troublesome, seventeen thousand Cherokees had legally delayed eviction from their homes in North Carolina, Georgia, Tennessee, and Alabama, and approximately four thousand Seminoles mingled with over a thousand blacks, many of them escaped slaves, were putting up effective military resistance in Florida. Although General Scott did his best to ensure that Cherokee removal was peaceful and humane, bad weather and inadequate appropriations turned the journey into a "Trail of Tears," and hundreds perished before the process was completed in early 1839. The Second Seminole War, having erupted in 1835 prior to eighth president's inauguration, degenerated into a vicious and unrelenting counterinsurgency struggle that was still raging as he left office. President Tyler finally ended what had become the U.S. Army's most costly and lengthy Indian war with a proclamation in 1842 that permitted three hundred surviving Seminoles to remain in Florida on reservations, essentially the same terms that Van Buren had rejected in 1838. The war and other removals occasioned an increase by half in the regular army's authorized size—from around eight thousand to more than twelve thousand soldiers—and a new string of forts. The most that can be said in the Little Magician's behalf is that these burdensome expenses make his success at rolling back federal expenditures all the more remarkable.[20]

Because the Seminoles harbored fugitive slaves, the Florida war was intimately intertwined with concessions that Van Buren made to slaveholders. During his first presidential bid, the Calhounite press had tried to cripple the New Yorker's candidacy in the South by branding him an abolitionist. Van Buren countered with an announcement that he was "the inflexible and uncompromising opponent of any

20. Satz 1975; Prucha 1969, 249–306; Mahon 1967; Foreman 1932. The authorized increase in the regular army took effect in July 1838, but an examination of U.S. Department of Commerce 1975, Series Y904-16, reveals that total army personnel had risen to 12,449 by 1837. That increase occurred because the Seminole War had already induced Congress to authorize in May 1836, while Jackson was still president, enlistment of ten thousand additional emergency troops to serve for six to twelve months.

attempt on the part of Congress to abolish slavery in the District of Columbia, against the wishes of the slaveholding states" (Richardson 1922, vol. 2, 1535). He also went along with various "gag rules" on receiving abolitionist petitions that Congress implemented between 1836 and 1844, and during the 1840 election he promised to veto any antislavery restrictions Congress might place on Florida's admission to the Union. His accommodation with the peculiar institution had its greatest practical impact in the case of the *Amistad,* a Spanish schooner that had fallen into the custody of a U.S. revenue cutter in 1839, after a successful mutiny by the slaves on board. The president stood ready to hand the blacks over to Spanish authorities, despite their having been illegally kidnapped from Africa. But the case became tied up in U.S. courts, and after the administration appealed, the Supreme Court in March 1841 freed the Africans (Miller 1996; Jones 1987; Cable 1971).

Although Van Buren's Faustian bargain to hold together the sectional wings of a national party dedicated to frugal government was more pronounced during his presidency than either before or after, its extent should not be exaggerated. Nearly twenty years earlier, while serving in the New York legislature, he had endorsed the prohibition of slavery in Missouri, and he would later support the Wilmot Proviso barring the extension of slavery into the territories acquired from Mexico. Not only was the eighth president quite capable of disappointing slaveholders' hopes for Texas annexation, but he never appeased Southerners to the lengths that a James Buchanan would endorse or a John C. Calhoun would demand. Van Buren also refused to overturn the conviction of a navy lieutenant court-martialed for excessive flogging, in spite of complaints from Southerners that the prosecution had relied on testimony of two black seamen (Cole 1984, 362–63; Wilson 1984, 200). The New Yorker's vice-presidential running mate in both 1836 and 1840 was a Southerner, Colonel Richard M. Johnson of Kentucky, yet hardly one who made his fellow slaveholders comfortable. Johnson had violated the color line by openly living with a black mistress and acknowledging their two daughters. Such limits on Van Buren's ability to placate Southerners were reflected by the stiff presidential opposition he faced in 1836 in the South, a region that had gone solidly for Andrew Jackson. The Little Magician did even worse in the South in 1840, running against Harrison, a Virginia-born Ohioan.[21]

The Van Buren administration's readiness to return the *Amistad* mutineers was motivated in part by diplomatic considerations, and the objective of friendly relations with foreign powers was responsible for another of the president's lapses in 1837. To supplement his administration's efforts to calm tensions during the Canadian rebellions, he asked Congress for a new neutrality law. The existing act of 1818 was mainly

21. Brown 1966 is an influential but simplistic argument that Martin Van Buren's Democracy was intentionally and unequivocally proslavery—an argument echoed in Richards 1979. For more sophisticated and balanced considerations of this question, see McFaul 1975; Riker (1982, 213–32); Freehling (1990, 287–352); Greenstone (1993, 154–85); and Wilentz 1996.

maritime, and Van Buren wanted the power to prevent private citizens from organizing raids on foreign soil. Congress was in this instance more sensitive to civil liberties, so it declined to permit the use of military force against a group merely organizing and planning such an expedition. Instead, under a new law that would expire two years after its passage in 1838, civil authorities could seize arms, ammunition, vehicles, and vessels attempting to cross the border (Stevens 1989, 27–28).

Two years later Van Buren carelessly passed along to Congress a report from Joel R. Poinsett, his Secretary of War. Poinsett (for whom the poinsettia was named) was a staunch Unionist from South Carolina, more nationalistic than his chief executive. The administration's frequent diplomatic and military tribulations inspired the secretary to request a militia reorganization similar to what had been suggested by nearly every president since George Washington. Under the plan, the regular army each year would call out and rigorously drill from the state militia rolls an active force of one hundred thousand men, who would then be available for rapid mobilization. Once the Whigs got wind of this scheme for universal military training, they set off an uproar. Many states were already undermining the basis for such a reorganization by replacing their compulsory militias with voluntary systems. The Little Magician, who had not previously read Poinsett's proposal, promptly disavowed it. To the charge of favoring standing armies, he responded: "If I had been charged with the design of establishing among you at public expense, a menagerie of two hundred thousand wild beasts, it would not have surprised me more, nor would it, in my judgment, have been one jot more preposterous" (quoted in Curtis 1970, 201). But the disavowal came too late to avoid political damage in the ongoing presidential race. Poinsett's request was destined to be the last effort to nationalize the state militias until after the Civil War.[22]

The New Yorker's years in the White House saw the first national regulation of steamboats and a nationally funded scientific expedition. President Jackson had recommended "precautionary and penal legislation" after an explosion on a Red River steamboat in 1833 had killed Senator Josiah S. Johnston of Louisiana. Not until 1838 did Congress enact a law that required federal inspection of boilers and hulls on passenger vessels. Supervision was entrusted to district judges, however, and the creation of a regular inspection bureaucracy within the Treasury Department had to await the future Whig presidency of Millard Fillmore.[23] The navy's South Sea Exploring Expedition, under the command of Lieutenant Charles Wilkes, set sail in August 1838 on a

22. Cunliffe (1968, 197–99); Weigley (1967, 156–57); Rippy (1935, 175–77); Curtis (1970, 199–201); Wilson (1984, 188–89). For background on the evolution of the militia during this period, consult Mahon (1983, 63–96).

23. White (1954, 442–46); Short (1922, 1–6); Morrison (1903, 591–92). Neither Curtis 1970 nor Wilson 1984 mentions this regulatory development. To my knowledge, there is no economic study of the efficacy of steamboat inspection, but we may safely assume that it was as inefficient and counterproductive as nearly all other federal regulation.

four-year voyage that would claim discovery of Antarctica. But it had been the brainchild of former president John Quincy Adams, and Congress had appropriated the money nearly a year before Van Buren entered office.

To offset these relatively minor transgressions on market enterprise, the eighth president deserves credit for enthusiastically embracing reforms suggested by his Postmaster General, Amos Kendall of Kentucky. Kendall wanted to eliminate the heavy postal subsidy for newspapers, instituted back in 1792, which resulted in newspapers providing no more than 15 percent of postal revenue even though they accounted for more than 95 percent of deliveries by weight. The head of the Post Office also tried to rein in the congressional franking privilege. Needless to say, Congress was not interested in either reform (John 1995, 40; Wilson 1984, 172–75). Finally, mention should be made of Van Buren's executive order, in the midst of his campaign for reelection, mandating a ten-hour day on all federal public works.

Conclusion

The election of 1840 turned into a political circus. Under the savvy management of such rising Whig politicos as Thaddeus Stevens of Pennsylvania and Horace Greeley, William Seward, and Thurlow Weed of New York, the apologists for mercantilism learned to throw off the historic taint of elitist privilege and to appeal for the first time directly to the masses. William Henry Harrison earned the sobriquet "General Mum" for obscure positions on the issues, while his party adopted no platform and emphasized their candidate's military record during the War of 1812 and his alleged frontier, log-cabin origins. Harrison was in reality the scion of Virginia aristocracy, but that fact did not stop the Whigs from falsely portraying Van Buren as the effete grandee, extravagant with public money. The popular rallies, colorful slogans, and hucksterish excitement surrounding the Whigs' Log Cabin and Hard Cider campaign caused the *Democratic Review* to cry out in despair: "We have taught them to conquer us!" (quoted in Van Deusen 1959, 148). Still, it was the lingering trauma of hard times, coupled with disgruntled southern and northern expansionism and the exaggerated fears of Democratic Caesarism, that brought about the Little Magician's political defeat at the hands of "Tippecanoe and Tyler too." Voter turnout was much higher in 1840 than four years earlier, jumping from 57.8 percent of those eligible to 80.2 percent, so that Van Buren actually received 400,000 more votes, but he carried only seven out of twenty-six states (Gunderson 1957; Holt 1992; Silbey 1971; Chambers 1971).

Heading back to Kinderhook in March 1841 with his usual good cheer, Van Buren felt confident of future vindication. Instead, he would watch the Democracy abandon his peaceful foreign policy and, as a result, tear itself apart along with the Union, as he had foretold; he did not live to see his economic precepts go out of fashion as well. Nevertheless, the Little Magician could feel justifiable pride in his single term. Glyndon G. Van Deusen (1959), a historian not at all sympathetic to laissez faire, provides one of the fairest modern assessments: "With all his weaknesses, the fact remains that Van Buren was honest; that he knew the value of and habitually sought counsel; that he deliberated before making decisions; and that his four years in the White House demonstrated, for better or for worse, a perfectly logical development of the left-wing tendencies of Jacksonian Democracy, a development which it took courage to foster in the face of a catastrophic depression" (114).

Defying the median-voter model of public-choice theory, the eighth president did not move toward the center but risked political injury to become more radical while in office. As a result, this admirer of both Thomas Jefferson and Andrew Jackson presided over an administration marred by none of their inconsistencies. Nothing like the Sage of Monticello's despotic embargo, his unconstitutional Louisiana Purchase, or his vindictive witch-hunt against Aaron Burr disfigured the New Yorker's term. Nor anything to compare with Old Hickory's executive bullying of South Carolina, France, or Congress (among others). Van Buren remained truer to Old Republican principles than either of these more renowned champions of liberty, even though the Panic of 1837 arguably presented as weighty a temptation for compromise.

Because I am holding Van Buren up to a libertarian yardstick, perhaps it would be more appropriate to compare him with other nonactivist chief executives, whom mainstream historians tend to dismiss. Grover Cleveland, a later Democratic president who similarly confronted a major economic depression, is in my opinion the strongest contender for superior accolades, but his signing of the Interstate Commerce Act, his use of troops during the Pullman strike, and his involvement in the Venezuelan boundary dispute demonstrate a weaker commitment to free markets, civil liberties, and nonintervention. Warren Harding and Calvin Coolidge, it is true, implemented the brilliant fiscal program of Secretary of the Treasury Andrew Mellon, yet the economic meddling of their Secretary of Commerce, Herbert Hoover, cancels out the accomplishment. John Tyler looks good so long as one focuses only on his vetoes; I have already mentioned the bills he signed and his Texas intrigue, to which one can add the suppression of the Dorr Rebellion in Rhode Island. One thing alone disqualifies Millard Fillmore from consideration: the Fugitive Slave Act of 1850, among the most draconian laws Congress ever passed. As for Franklin Pierce and James Buchanan, even if we overlook their proslavery policies in Kansas, Pierce still has his imperialistic ambitions, revealed in the Ostend Manifesto, and Buchanan stands indicted for dispatching the army to Utah in the Mormon War. And the single-term, post–Civil War Republicans—Rutherford B. Hayes, James A. Garfield, Chester A. Arthur, and Benjamin Harrison—with their high protective tariffs, pork-barrel subsidies, and profligate veterans' benefits, are not even in the running.

But the case for Van Buren's greatness goes beyond his being the least bad U.S. president. While avoiding foreign wars, he did more than maintain the domestic status quo. He reduced the power and reach of central authority in the face of stiff resistance, and thereby he helped the American economy weather one of its most severe deflations. The Little Magician also brought an ideological clarity to American politics that has seldom been equaled. Although the Democracy would stray in significant and reprehensible ways from the principled course he had charted, his efforts left an enduring legacy. The Democratic Party remained the political alliance with the strongest affinity for laissez faire, personal liberty, and free trade until almost the turn of the century. All will acknowledge, I believe, that Americans once enjoyed greater freedom from government intervention than any other people. For that accomplishment, Martin Van Buren deserves as much credit as any other single individual—and certainly more credit than any other president of the United States.

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