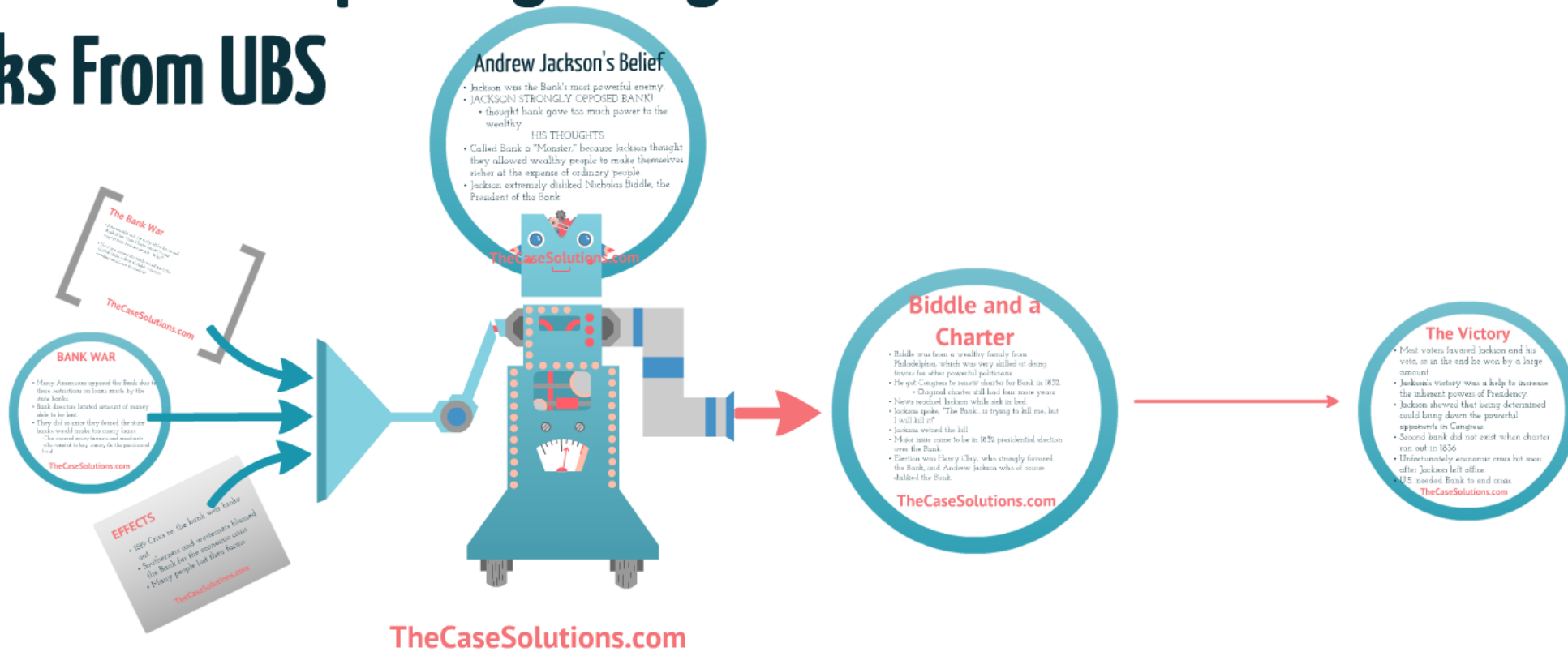
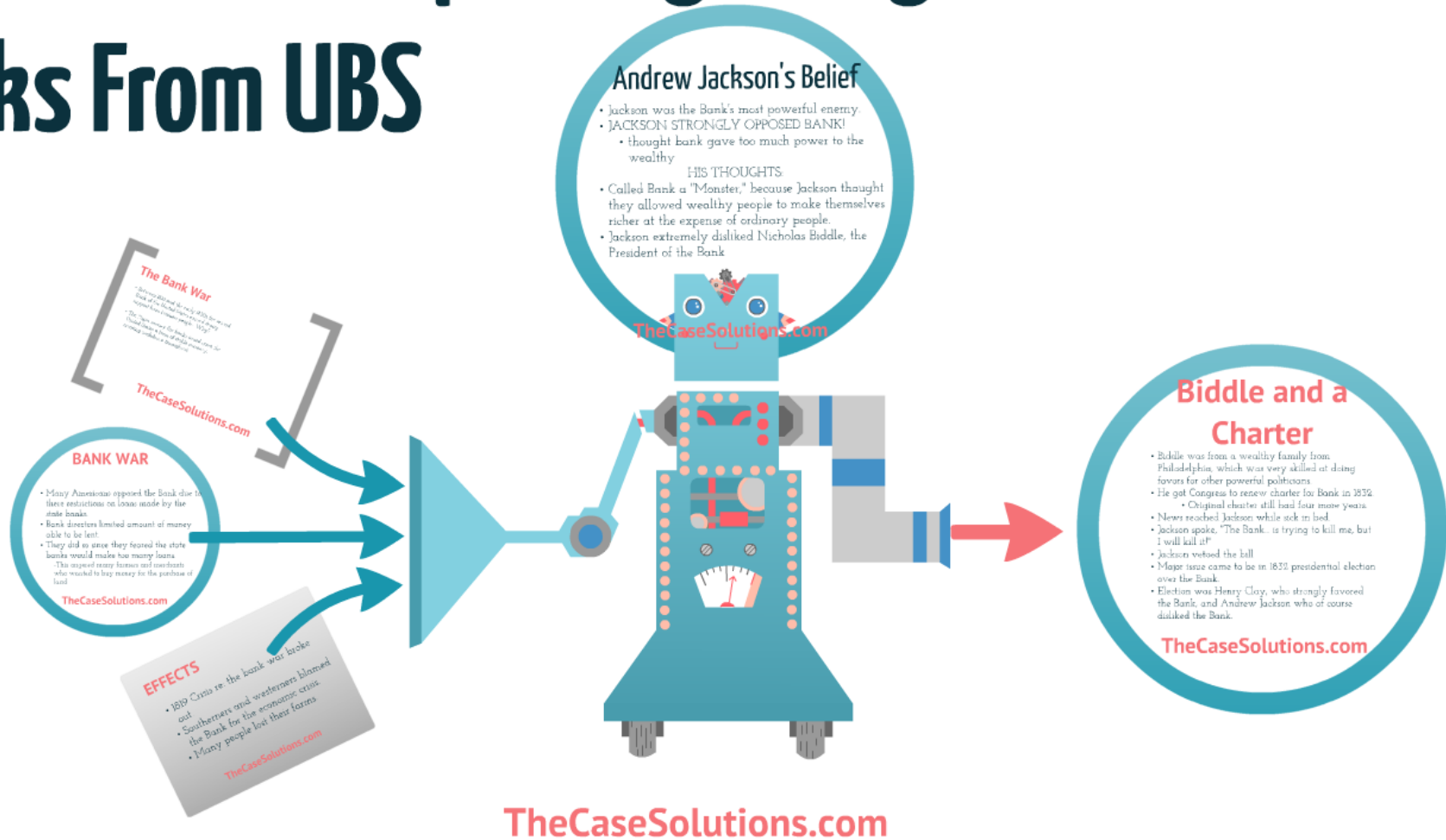


Julius Baer Group: Integrating Three Private Banks From UBS



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The Bank War

- Between 1816 and the early 1830s the second Bank of the United States earned strong support from business people. Why?
- The Paper money the banks issued gave the United States a form of stable currency, creating confidence throughout.

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BANK WAR

- Many Americans opposed the Bank due to there restrictions on loans made by the state banks.
- Bank directors limited amount of money able to be lent.
- They did so since they feared the state banks would make too many loans.
 - This angered many farmers and merchants who wanted to buy money for the purchase of land.

EFFECTS

- 1819 Crisis re: the bank war broke out.
- Southerners and westerners blamed the Bank for the economic crisis.
- Many people lost their farms.

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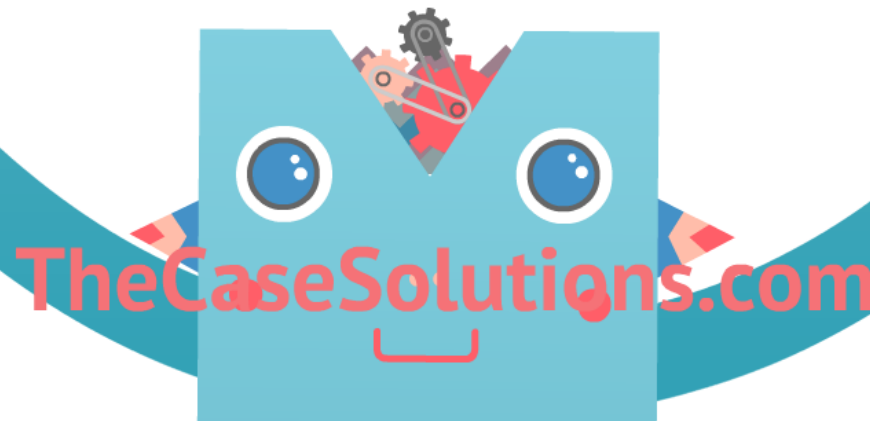
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Andrew Jackson's Belief

- Jackson was the Bank's most powerful enemy.
- JACKSON STRONGLY OPPOSED BANK!
 - thought bank gave too much power to the wealthy

HIS THOUGHTS:

- Called Bank a "Monster," because Jackson thought they allowed wealthy people to make themselves richer at the expense of ordinary people.
- Jackson extremely disliked Nicholas Biddle, the President of the Bank



Biddle and a Charter

- Biddle was from a wealthy family from Philadelphia, which was very skilled at doing favors for other powerful politicians.
- He got Congress to renew charter for Bank in 1832.
 - Original charter still had four more years.
- News reached Jackson while sick in bed.
- Jackson spoke, "The Bank... is trying to kill me, but I will kill it!"
- Jackson vetoed the bill
- Major issue came to be in 1832 presidential election over the Bank.
- Election was Henry Clay, who strongly favored the Bank, and Andrew Jackson who of course disliked the Bank.

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The Victory

- Most voters favored Jackson and his veto, so in the end he won by a large amount.
- Jackson's victory was a help to increase the inherent powers of Presidency.
- Jackson showed that being determined could bring down the powerful opponents in Congress.
- Second bank did not exist when charter ran out in 1836
- Unfortunately economic crisis hit soon after Jackson left office.
- U.S. needed Bank to end crisis.

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