

Executive Department

Montgomery Ala 17 Dec 1860.

To the people of Alabama.

Strong appeals have been made to me by many citizens from different sections of the state to convene the legislature for the purpose of providing the ways and means of protecting the interests and honor of the state in the impending crisis, and for the further purpose of authorizing the Banks to suspend specie payments, to enable them to furnish greater facilities for moving the cotton crop, and thus relieve, to some extent the embarrassed condition of the cotton market, and the people. These appeals were made by those whose opinions are entitled to the highest respect, and are disconnected with the Banks, either as directors or stockholders. After giving to the subject the fullest consideration, and viewing it in all its bearings, I determined not to convene the legislature for reasons which I will now give.

I did not doubt, and do not now, that the Convention to meet on the 1st of January next, will determine that Alabama shall withdraw from the present Union at an early day.

Should this contingency occur, it will be necessary forthwith, to convene the legislature, to provide for whatever the action of the Convention may render necessary in

Gov. Moore's
proclamation
Dec 1860

the way of legislation. The imposition upon the state of the expense of the convention, and two extra sessions of the legislature at this time, when economy is a matter of the highest ~~importance~~ ^{importance}, ought to be avoided if it could be done consistently with the public interests. If the legislature could anticipate the action of the convention, and provide for it, it would supersede the necessity of convening after the convention shall have acted; but this would be impossible.

It was my opinion if I issued a proclamation calling an extra session of the legislature every one would believe that the object, in part was to authorize the banks to suspend specie payments. This would have caused an immediate run upon them and would in a great measure have exhausted their specie and thus rendered them unable to aid the state in her emergency or relieve the people.

It appeared to me that these difficulties could be avoided, by the banks and myself assuming responsibilities which never ~~should~~ ^{should} be done under any other circumstances. I considered it a matter of the utmost importance that the specie in the vaults of the Banks should be kept there, so far as it could be done, in order to aid the state in providing the means to



sustain herself in the approaching crisis.

It would be inexpedient, at such a time to tax the people, and state bonds could not now be sold except at a great sacrifice. I considered it the duty of banks upon whom extraordinary privileges had been conferred to come to the aid of the state in her hour of need and therefore determined to request them at the same time to suspend specie payments and retain their specie for the benefit and security of the state, so far as ~~it~~ might be necessary.

In this way a run upon the Banks would be avoided, and they would remain in a condition to relieve the state from immediately taxing her people, or selling bonds at a heavy discount, and render unnecessary an extra session of the legislature before the meeting of the Convention.

The extension of relief to the people in selling their cotton crops would follow as an incident. In consideration of the premises I addressed to each of the Banks a letter, of which the following is a copy:

Executive Department

Montgomery Dec 4. 1860

To the President and Directors of the Central Bank of Alabama Montgomery Ala.

Gentlemen:— The peculiar and extraordinary state of public affairs and the interest of the state make

it a matter of state necessity to retain in the vaults of the Banks all the gold and silver coin in their possession.

From present prospects, there can scarcely be a doubt that Alabama will secede from the Union before the fourth day of March next. Should that contingency occur, it will be necessary for the State to raise not less than a million of dollars in specie or its equivalent. Under the circumstances which surround us, we could not sell state bonds, either in the north or in Europe, except at a ruinous discount; and it would be inexpedient to tax the people immediately for that purpose. How then can the state secure the money that may be necessary in her emergency?

But one practicable plan now presents itself to my mind, and that is to call upon the Banks of the State to come up to her aid. The course of events and the suspension of the South Carolina and Georgia Banks, will create more or less uneasiness in the minds of the bill holders, and will induce many of them to draw the specie from the Banks to the extent of the notes they may hold and thus render the Banks



unable to aid the state, as they otherwise could do.

I am strongly urged from various parts of the state to convene the legislature for the purpose of authorizing the Banks to suspend specie payments, and thus enable them to retain their specie for the purposes suggested.

I have reflected much and anxiously upon the subject. I am satisfied, were I to convene the legislature for the purpose stated that it would produce a run on the Banks, and in a great measure exhaust their specie and defeat the object I have in view.

With the view then of enabling the Banks to retain their specie for the purpose aforesaid, I deem it my duty, under the circumstances, to advise and request them to suspend, all at the same time.

The high and patriotic motives which would induce the act, would sustain the Banks and me. There can be no doubt that the Convention and legislature soon to meet will sustain and legalize the act. I will sanction it, and will institute no proceedings against them; and in my message to the legislature and Convention will urge them to sanction the act, which I am sure they will do.

If need be, after the suspension, I will write an address to the people of the state, stating the facts and circumstances under which the step was taken. I am satisfied that the Banks are in a sound condition and can maintain it through the present crisis; but it will render ^{them} unable to give the state that aid she will need.

I have written similar letters to all the Banks. The contents of this communication are respectfully submitted to your consideration.

Very respectfully your obedient servant
A B Moore.

At my suggestion and request and for the purposes stated in my letter, the Commercial Bank of Selma, the Central Bank at Montgomery, and the Eastern Bank at Eufaula, suspended this day. It is due to those Banks, that I should say (being advised of their condition) that they are able to sustain themselves through the crisis, and that they have taken this important step with the high and patriotic motive of sustaining the state - as shown by the response of each of them to my letter. Their letters are filed in my office, and would have been published, but for the length they would give this communication.

unable to aid the state, as they otherwise could do.

I am strongly urged from various parts of the state to convene the legislature for the purpose of authorizing the Banks to suspend specie payments, and thus enable them to retain their specie for the purposes suggested.

I have reflected much and anxiously upon the subject. I am satisfied, were I to convene the legislature for the purpose stated that it would produce a run on the Banks, and in a great measure exhaust their specie and defeat the object I have in view.

With the view then of enabling the Banks to retain their specie for the purpose aforesaid, I deem it my duty, under the circumstances, to advise and request them to suspend, all at the same time.

The high and patriotic motives which would induce the act, would sustain the Banks and me. — There can be no doubt that the Convention and legislature soon to meet will sustain and legalize the act. I will sanction it, and will institute no proceedings against them; and in my message to the legislature and Convention will urge them to sanction the act, which I am sure they will do.

There is no necessity for any depreciation of their notes, as there can be no question of their solvency.

The circumstances under which they have suspended, should relieve them from any censure. If censure is to fall upon any one, it should be upon me, and I rely for my justification upon the manifest propriety and necessity of the act as well as the motives which induced it. The Bank of Mobile, and the Southern Bank of Alabama, decline to suspend, but patriotically pledge themselves to raise the proportion of the amount suggested in my letter, should this be a necessity for it. These two Banks being located in Mobile can procure specie, and exchange with more facility than the Banks in the interior, and are not so liable to be prejudiced by the suspended Banks of South Carolina and Georgia. Hence, their ability to aid the State without suspending specie payment.

The Northern Bank at Huntsville also declines to suspend on account of peculiar circumstances which surround it.

I have now briefly stated the circumstances and facts connected with the suspension of three of our Banks, in accordance with

the promise contained in my letter,
and hope they will be satisfactory
to the enlightened and patriotic people
of Alabama, for whose benefit this
great responsibility has been assumed.
A B Moore.

I am authorized to say that the
Bankers are prepared to loan the
state their proportionate share of
one million dollars should our
necessities require it.