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ART. I.—THE RISE AND PROGRESS OF COMMERCE.

IN the present enlightened state of the world, and the powerful influence which Commerce exercises over every thing connected with national politics and human affairs, it is an amusing and instructive pursuit to trace the course of Commerce from its first dawning, as it were, upon the world, to its present brightness and splendor.

In the earlier ages of the world, agriculture and arms were considered the more honorable pursuits, and the ancients deemed Commerce as ignoble. Hence we find Xenophon expressing a doubt whether Commerce could be of any advantage to the state, and Plato excluding it from his imaginary commonwealth; but, as time rolled on, in exact proportion as Commerce was fostered and encouraged—as it acquired strength, and was permitted an unfettered exercise of its powers, and a development of the advantages it afforded—its value was better understood, and its peaceful triumphs the more highly appreciated.

To pursue Commerce profitably, and to any extent, requires the possession of civil and political liberty: the freest countries are always the most strongly commercial, and the most barbarous and enslaved the least. In the former, we find an extraordinary degree of intelligence, and a freedom from restraint discernible only in connexion with rational and well-defined liberty; for the mind which has been accustomed to freedom of thought and action in commercial pursuits, would spurn the idea of submitting its free impulses to a tyrant's will. Hence we find an interference with the course of Commerce, commencing in illegal exactions, cost Charles the First his kingdom and his head; and a following up of the same blind policy by his successors, in regard to the colonies, ended in establishing the independence of the United States of America, now admitted to be the freest, and the most thoroughly imbued with the commercial spirit, of all the nations of the earth. And, if we take the map of the world, we may trace, step by step, the diminished amount of freedom enjoyed by the several nations, according to its Commerce, the gradations fine, but yet clearly perceptible and strongly marked, until, in despotic countries, we realize the presence of arbitrary power by the total absence of commercial enterprise; for Com-

merce and tyranny cannot exist together. The ascendancy of the commercial spirit establishes a new era in policy, and we find a new genius diffused into the alliances of nations—the savage barbarity of war tempered, humanized, and subdued, and man meeting his brother man on the wide platform of reciprocity and equal rights. Commercial nations have always been the most distinguished. It was from the opulence derived from Commerce that Carthage so long and so successfully contended with Rome; and, as the principles of Commerce extended over the continent of Europe, the manners became more polished, and according to the extent of their Commerce was their political power and influence amongst the surrounding nations.

Among the earliest and most successful pursuers of Commerce, were the Rhodians, the Egyptians, the Phœnicians, and the Carthaginians.

The Rhodians are justly entitled to the first place as a commercial and maritime power; for, although Eusebius mentions the Cretans, the Lydians, and the Thracians, as maritime states, the first of whom flourished five hundred years, the next two hundred, and the last about eighty years before the Rhodians, yet it does not appear that any of these naval powers had any defined system or code of maritime law for their own guidance, and they certainly never communicated any to mankind. About the year 916 before the Christian era, Rhodes obtained the sovereignty of the sea, and maintained her political power and importance, unimpaired, till the termination almost of the Roman republic. Many adventitious circumstances combined to increase the wealth of Rhodes: among these may be enumerated the favorable position of the island for the purposes of navigation, in the Mediterranean sea, a few leagues from the continent of lesser Asia; and the richness and fertility of its soil has always been a favorite theme with poets and historians. If we add to these the active and industrious habits of the people, we can easily account for its long-maintained superiority—for the richness of its inhabitants—the anxiety with which its alliance was courted, though its general policy was a strict neutrality;—but its very riches, by enervating the people, hastened its decline, and, at the period above mentioned, the wealth and power of Rhodes began visibly to decline.

Next in order come the Egyptians, who are said to have opened a trade between the Arabian Gulf and the Red Sea, and the western coast of the great Indian continent, soon after the establishment of the Egyptian monarchy. The productions of the East were carried by land from the Arabian Gulf to the banks of the Nile, and floated down that river to the Mediterranean. Natural causes, however, were in operation, tending to limit the attention of the Egyptians to Commerce, both in extent and in duration. The necessaries and comforts of life were produced in such profusion under the genial influence of their fertile soil and mild climate, that, wanting nothing from foreigners themselves, it became an established maxim with Egyptians, whose habits of thinking and national insitutions differed from those of other nations, to renounce foreign intercourse altogether. Consequently, they remained at home—holding seafaring persons as impious and profane,—and denied strangers admittance into their harbors, which they fortified; and it was not until the decline of their power, when their veneration for ancient customs had greatly abated, that they withdrew these restraints, by opening their ports and resuming the trade with foreigners.

Exactly the reverse of the Egyptians were the Phœnicians, who, in character and situation, in manners and institutions, had no distinguish-

ing peculiarity. They had no intolerant or unsocial superstition—there was nothing repulsive, or calculated to prevent an unscrupulous intercourse with other nations. They looked to Commerce as the source of opulence and power, for their territory was small and unproductive; and Tyre, of which we read so much in sacred and profane history, was built on an ungrateful and barren soil; but its excellent sea-ports, and favorable position for Commerce, more than counterbalanced the sterility of its soil, and Commerce yielded to the industry of man what nature appeared sternly to have denied; and a short reference to the Commerce of the Phœnicians will sufficiently prove to what a height of glory, grandeur, and riches, a nation may attain through the aid and instrumentality of Commerce.

Lebanon and the neighboring mountains furnished the Phœnicians with excellent wood for ship-building, and in a short time numerous fleets were ready to farther the spirit of enterprise by pursuing distant or unknown voyages; and their liberal institutions and enlightened spirit, encouraging foreign intercourse, drew together an immense influx of strangers, and so rapidly did the population of Tyre increase, that they were soon in a situation to send out colonies, and, among others, the famous one of Carthage, which so long preserved the spirit of its settlers, and proudly vied with Tyre itself in the extent of its commerce, while it greatly surpassed it in dominion.

The report of profane writers of the glory and power of Tyre—the amount of its commerce and navigation—would not be readily credited, were it not that we find that the prophets themselves speak of it with yet greater magnificence of language; and one of the most beautiful passages in the prophecy of Ezekiel is that where a description is given of its power and grandeur, the number of its vessels, the quantity of its merchants and its merchandise; and Isaiah speaks of Tyre as the common city of all nations, and the centre of all commerce, as the queen of cities, where its merchants were princes, and the traders the most illustrious persons of the earth. Such was ancient Tyre, which resisted the arms of Nebuchadnezzar, and stood a siege of thirteen years, during which time it had fortified and prepared a neighboring island, where they established the maritime forces, and to which the merchants removed their merchandise, so that the loss of the capital, when they ultimately surrendered up the barren soil to the conqueror, did not destroy their empire of the sea, or diminish the reputation of their commerce. As Commerce was the only source from which the Phœnicians derived opulence and power, we find that the trade of Tyre and Sidon was more extensive and enterprising than that of any state in the ancient world. The spirit of their laws and the genius of their policy was strictly commercial, and they may be briefly described as a people of merchants, whose object was the empire of the sea, and who acquired and retained it through the medium of Commerce. Their ships frequented all the ports of the Mediterranean, and passed the ancient boundaries of navigation, the straits of Gades, visiting the coasts of Spain and Africa, in many places planting colonies, and communicating some improvement in knowledge and the arts to the rude inhabitants. While extending their commerce on the north and west, the more opulent and fertile regions of the south and east were not neglected: they secured several commodious harbors towards the bottom of the Arabian Gulf. Following the example of the Egyptians, they established a regular intercourse with Arabia and the continent of India on one hand,

and with the eastern coast of Africa on the other; drawing from these resources many commodities unknown to the rest of the world, and engrossing for a long period, without rival or competition, that most lucrative branch of Commerce.

Under the prosperous reigns of David and Solomon, the Jews were excited, by the reports of the great wealth acquired by the Phœnicians in their monopoly of the commerce of the Red Sea, to aim at being admitted to a participation, which they succeeded in obtaining, by conquest and alliance,—the first, of Idumea, which stretches along the Red Sea, and the second, with Hiram, king of Tyre, who furnished Phœnician pilots to the fleets fitted out by Solomon, which sailed from the Red Sea for Tarshish and Ophir, ports probably partly in India and Africa, which they were accustomed to frequent, and from which the Jewish ships returned with such valuable cargoes, as suddenly diffused wealth and splendor throughout the kingdom in such abundance, that, as the Scriptures finely express it, "He" (Solomon) "made silver in Jerusalem as stones, and cedar trees as sycamores that grow in the plains." And when we reflect that the return of one voyage only to Ophir produced four hundred and fifty talents of gold, (about two and a half millions of pounds sterling,) we cannot doubt of the immense profits yielded by this commerce. But the peculiar national character of the Jewish people, impressed upon them with a view of separating them from the idolatrous nations with which they were surrounded, conspired to form an unsocial national character, and to prevent that open and liberal intercourse with foreigners which the spirit of Commerce requires; owing to which, and the disasters which befel the kingdom of Israel, the spirit of Commerce spread slowly, and was checked easily. Other reasons might be given, from profane history, for the wonderful success of the Jewish commerce under Solomon, and its early extinction; but we prefer confining our remarks to historical facts, which are abundantly sufficient for our purpose, without travelling beyond the record, or seeking to enlist faith or prejudice in support of our conclusions.

It was the new city of Tyre which so daringly resisted the progress of Alexander the Great in his career of victory, and interrupted the master of one part of Asia, and delayed for a time his successful progress to subjugate the other; and, in punishment of its temerity, was entirely destroyed by the conqueror, its marine and commerce transferred to his new city of Alexandria, which he had founded as the capital of the empire of Asia, of which he then meditated the conquest, and intended consolidating into one gigantic kingdom; but observing the riches and power produced by Commerce, as evidenced in the obstinate resistance offered by Tyre to the progress of his arms, while with one hand he smote the proud and powerful opponent, he was anxious with the other to make Commerce his minister, and his ally in promoting the splendor of Alexandria; but his early death prevented his being a witness of its success.

Commerce has always been opposed to the spirit of conquest and aggression, from the time the first and the second Tyre resisted the arms of Nebuchadnezzar and Alexander, down to the period when Great Britain contended, as it were, single-handed and alone, against the French usurper, whose blows were levelled at her commerce, but supported and maintained by which she subsidized the continent of Europe, and eventually, on the field of Waterloo, established the freedom of Commerce, and breathed fresh animation and renewed hope into the fainting form of liberty.

As the second Tyre fell before the arms of the conqueror, Carthage, a Tyrian colony, grew and strengthened by Commerce, and was enabled to dispute with Rome herself the dominion and empire of the world. Carthage had early rivalled and soon surpassed Tyre in opulence and power, but does not seem to have contended for any share in the commerce of the Red Sea. The enterprise of the Carthaginians was exercised in another direction, chiefly towards the west and north. Passing the straits of Gades, as too circumscribed for their views of discovery, they visited the coasts of Spain and of Gaul, and penetrated at last into Britain. Not satisfied with their acquired knowledge in this quarter of the globe, they turned their inquiries south, made some very considerable progress by land into the interior provinces of Africa, trading with some, and subjecting others to their empire. Proceeding along the western coast of the great continent of Africa almost to the Tropic of Cancer, they planted several colonies with a view to civilization and Commerce. The Fortunate Islands, now known as the Canaries, were discovered by them, and formed the utmost boundary of discovery and navigation in the western ocean.

Rome, the great opponent, and eventually the conqueror of Carthage, was supported by conquest, by robbery, and rapine. Carthage, on the contrary, looked wholly to the peaceful returns of Commerce. While Rome extended her dominion, and formed a hardy and veteran army, Carthage, which Commerce had peopled with seven hundred thousand inhabitants, had to look within herself, and to oppose her raw and undisciplined recruits to the drilled forces of her opponents, and the city was comparatively deserted to furnish soldiers for the army; their fleets, accustomed to the transportation of merchandise, were now loaded with soldiers and warlike stores, and their chiefs and generals, who made Rome tremble, were selected from her wisest and most fortunate traders. The history of the Roman and Carthaginian wars, and their fatal termination as regarded Carthage, is so well known, that we have only to allude to the fact that it required fifty years cruel and doubtful war before Carthage was destroyed, during which, Rome was very nearly visited with that destruction which afterwards overtook her competitor for the mastery of the world.

We have already mentioned the city of Alexandria, to which the commerce and marine of the second Tyre had been transferred by Alexander the Great. The Ptolemies, who after his death got Egypt for their part of the spoil of conquest, took care to encourage and foster the infant trade of Alexandria, and soon brought it to such perfection and extent as to surpass Tyre and Carthage, and it seemed as if Alexandria had gathered to itself the wealth and commerce of the world. To accomplish this, it possessed great natural advantages. On one side a free commerce with Asia and the East by the Red Sea. The same sea and the Nile enabled her to penetrate the vast and rich countries of Ethiopia—the rest of Africa and Europe was open to her by the Mediterranean—and as a facility to the interior commerce of Egypt, besides the Nile, and the canals, the almost incredible work of the first Egyptians, the advantages of caravans, so convenient for the safety of merchants and the transportation of merchandise. If to these we add a large and safe port, where foreign vessels arrived from all parts, making Alexandria the depository of all the merchandise of the East and West, and the store-house from whence vessels were constantly loaded for Egypt, and for all parts of the known world, we shall have no difficulty in accounting for its rapid growth, with surpassing wealth and power.

It was the immense riches which the commerce of Alexandria spread

throughout Egypt, which enabled their kings to support themselves for over a century against the Roman power, which tried from time to time to bring them under subjection. Historians affirm that the customs on imports and exports on the merchandise which passed through the custom-house of Alexandria amounted to two hundred and seventy-four millions of pounds sterling annually, although the imposts which the Ptolemies laid upon the people were generally admitted to have been moderate enough.

Under the Grecian and Roman republics we discover traces of a cultivated Commerce. In several of the states of Greece, particularly Corinth and Athens, Commerce flourished; but Athens was more particularly celebrated for commercial knowledge and extensive trade; emulation was encouraged by the public rewards and honors bestowed upon those who attained to excellence in the useful arts, and its manufactures enjoyed a high reputation. The many laws which the people have left to posterity with regard to imports and exports, and contracts of bargain and sale, the privileges extended to the mercantile interests, the erection of tribunals to determine controversies between merchants and mariners; the attention paid to the market, and the many officers concerned in that department, evince an understanding of the principles of Commerce, and leave a favorable impression of their judgment and liberality. But notwithstanding all this, and the advantages of a numerous body of seamen, which the produce of their mines enabled them to keep in pay, and the influence which Athens exercised over the other cities of Greece, the trade was not pursued as extensively as one would have anticipated. Athens, and the other maritime states of Greece, possessed little or no commerce beyond the limits of the Mediterranean sea, and their intercourse was pretty much confined to the colonies planted by themselves in lesser Asia, in Italy, and Sicily. Sometimes they visited the ports of Egypt, the southern provinces of Gaul and of Thrace, or passing through the Hellespont, they traded with the countries around the Euxine sea.

The Roman commerce was even less considerable than that of the Greeks. Previous to the battle of Actium, the Romans had always found in the spoils of the nations they had subjected means of filling the treasury of the republic, and furnishing a sufficiency to carry out the plans of universal monarchy, in which the republic habitually and constantly indulged; and they regarded Commerce no farther than as an instrument of conquest, in enabling them to subsidize valor and perfect discipline; and when the maritime states of the ancient world fell before the prowess of their army, and Carthage, Greece, and Egypt, fell before them, the Romans imbibed not the spirit of the conquered nations, and interfered not with their commerce, satisfied that to Rome, as the capital of the world and the seat of government, all the wealth and productions of the provinces would naturally flow. The amazing extent of the Roman power, which reached over the greatest part of the then known world, the vigilant inspection of the Roman magistrates, and the active and intelligent spirit of the government, gave additional security to and animated Commerce with new vigor. No national union was ever so close, no intercourse so perfect, as that of the parts of this immense empire; one superintending power moved and regulated this mass of human industry, condensed its energies to a single point, employed the produce of its efforts on a single point, unobstructed by the jealousy of rival states, and freed from vexatious restrictions.

But while the Romans so freely tolerated commercial pursuits in others, they did not hold it in respect among themselves; on the contrary,

in their manners, their constitution, and their laws, Commerce was treated as a dishonorable employment, and the exercise prohibited to persons of birth, rank, or fortune. The only honorable employment was agriculture and arms, and traders and mechanics were deemed incapable of succeeding to any public honors. Commerce—navigation—the mechanic arts—were abandoned to slaves, to freedmen, to provincials, and to citizens of the lowest class.

The resources of conquest and rapine, however great, are soon exhausted; but those of Commerce, when cultivated, are steady, equal, and uniform in their flow; hence Rome, having overrun, exhausted, and impoverished the world, had to look to the commercial provinces for the means of replenishing her exhausted treasury, and the commerce of Egypt, by its riches and its credit, secured the readiest means of supporting the reputation and continuing the domination and empire of Rome.

From the period, therefore, when Augustus reduced Egypt to a Roman province, he carefully endeavored to extend the commerce of Alexandria, and to augment that carried on by the Egyptians in Arabia, the Indies, and the remote parts of the East, by way of the Red Sea; and Alexandria, become Roman, was only inferior to Rome in grandeur and population. The magazines of Rome were filled with merchandise from the capital of Egypt, and very soon Rome and all Italy subsisted on the corn and other provisions brought by the Egyptian fleet. Josephus affirms (but his statement may well be questioned for exaggeration) that Alexandria yielded more riches to the treasury of Rome in one month, than all Egypt in a year; and if Pliny is to be credited, the profits of the commerce of Egypt amounted yearly for Rome to one hundred and twenty-five millions of crowns, which, estimated by Mons. Savary at 5*4d.* sterling per French crown, amounts to twenty-eight millions one hundred and twenty-five thousand pounds sterling, while the ordinary expenses of the Roman government we find to have been only one million one hundred and fifty thousand crowns, only one hundredth part of the revenue derived from Egypt.

The great wealth derived from the commerce of Alexandria, made all the other provinces of the empire to flourish; and as it continued to augment, it attracted the attention of the senate to its importance to the prosperity of the empire, and created a determination to sustain it by establishing corporations at Rome for trade and tradings, adopting the laws of the Rhodians for the commerce and navigation of the Mediterranean, (laws which have since formed part of the laws of nations,) and charging the magistracy with their execution, they affording full protection to all engaged in Commerce through the whole extent of the Roman empire. But this forced and unnatural state of things could not endure. Rome had extended herself until she became unable to protect her provinces, and Alexandria in her turn experienced the fate of Tyre and of Carthage. She was founded by arms, and supported by Commerce, which was her beauty and her strength. The Saracens, who seized on Egypt in the reign of Heraclius, by their ferocity drove away the merchants, who love peace and tranquillity; and shorn, like Samson, of her strength, Alexandria, which then held the first rank after Rome and Constantinople, lost its ancient splendor; and though it subsequently acquired some commercial vigor under the Sultans, and now enjoys some considerable trade, it is no longer to be recognised as that ancient Alexandria, once so renowned as a mart of Commerce, and for so long a time the support and glory of the Roman empire.

ART. II.—THE ADVANTAGES AND BENEFITS OF
COMMERCE.

THE occupation of the merchant is one of the most ancient, as it is one of the most useful of human employments. It devolves on him to collect the surplus products and fabrics of his native land, and exchange them for such foreign articles of comfort or luxury as she may require. In this way he gives substantial encouragement to agriculture and manufactures, which, but for the markets which he supplies, might languish and decline. It devolves upon him, too, in times of public scarcity, resulting from unfavorable seasons and a failure of the home crops, to bring from abroad the means of subsistence and the necessaries of life for a whole people. Commerce, likewise, gives a spring to all arts and trades. Whilst enriching himself, the merchant furnishes employment to a vast number of artisans and laborers, and thus helps to knit society together, and to promote among its members a feeling of mutual interest and good fellowship.

Just consider, for one moment, how many hands are constantly employed merely in that navigation which bears the merchant's orders to the ends of the earth. These orders are usually more punctually executed than the edicts of the most absolute despot. In the remotest lands, thousands stand ready to do his bidding and gratify his wishes. The ocean groans beneath the weight of his argosies, which from the farthest climes bring riches and abundance, and lay them at his feet. The counting-room of the merchant may be likened to the cabinet of a powerful monarch, that sets the whole world in motion. He establishes the only practicable and beneficial community of goods. He renders the productions, the fabrics, the discoveries of every nation, accessible to all the rest. He brings the widely-scattered inhabitants of our globe into contact, establishes relations and facilitates intercourse among them, and enables each country to enjoy, reciprocally, the peculiar blessings and advantages of every other. "He provides such facilities of intellectual communication between the remotest regions, that not a bright idea can spring up in the brain of a foreign scholar, than it darts like lightning across the Atlantic; not an improvement obtains in the condition of one society, but it is instantly propagated to every other. By this perpetual interchange of thought, and this active diffusion of intellect, the most favorable opportunities are afforded for the dissemination of useful knowledge, and especially for the extension of that most precious of gifts, the Gospel of Jesus." What could our missionaries do without our ships?

Of the connexion that has, from the earliest ages, subsisted between commerce and intellectual improvement, the records of the human race bear ample and constant evidence. The perfection and happiness of our nature arise, in a great degree, from the exercise of our relative and social feelings; and the wider these are extended, the more excellent and accomplished will be the character that is formed. The first step to commercial intercourse is rude and selfish, and consists of little more than an interchange or barter of articles necessary to the accommodation of the parties. But as this intercourse is extended, mutual confidence takes place; habits of acquaintance, and even of esteem and friendship, are formed; till it may, perhaps, without exaggeration, be asserted, that of all the bonds by which society is at this day united, those of mercantile connexion are the most numerous and the most extensive. The direct con-

sequence of this is not only an increase of wealth to those countries where commerce is carried on to its proper extent, but an improvement in the intellectual character, and a superior degree of civilization, in those by whom its operations are conducted. Accordingly, we find that in every nation where commerce has been cultivated upon great and enlightened principles, a considerable proficiency has been made in liberal studies and pursuits. Without recurring to the splendid examples of antiquity, to Tyre, and Sidon, and Corinth, and Carthage, it may be sufficient to advert to the effect produced by the Free States in Italy, and the Hanse Towns in Germany, in improving the character of the age. Under the influence of commerce, the barren islands of Venice, and the unhealthy swamps of Holland, became not only the seats of opulence and splendor, but the abodes of literature, science, and the arts; and vied with each other, not less in the number and celebrity of their eminent men and distinguished scholars, than in the extent of their mercantile concerns.

Such are the services and benefits of that ancient and honorable vocation, which Gothic prejudices have attempted to brand with opprobrium, even in the bosom of nations that owe their wealth and splendor chiefly to commerce. In the old world generally, and even in England, till very recently, the peaceful merchant was regarded with contempt by the stupid soldier, who had not sense enough to perceive that without the aid of the merchant he could neither clothe nor subsist his army. It was her commerce and manufactures that enabled that country to bear up against the tremendous power of the "man of destiny," and to form those powerful coalitions, and support those vast armies, which she mustered from all parts of continental Europe, to take the field and fight the great battles in which her very existence was involved. It was this "nation of shopkeepers" that humbled his pride, and crushed his power. Is not this useful calling quite as honorable as the inglorious ease in which so many of the nobility and gentry of the old world wear out their unprofitable lives? Is not the merchant as respectable a member of the community as the luxurious planter, the time-serving politician, or the cringing office-seeker? How long will the foolish vanity of men lead them to look down upon those from whom they receive the most important benefits? Shall honor be always awarded exclusively to the destroyers and corrupters of our race? Ought it not to be conferred on those who are employed in supplying the wants and promoting the comfort and welfare of mankind?

This unworthy and foolish prejudice against trade dates back to those times of barbarism and ferocity, when the rising communities of men were as yet unacquainted with the benefits which commerce confers. We are told that in the republics of Greece, merchants were ineligible to public office, and were excluded from the cares of state. From similar ignorance the ancient Romans, who were solely occupied with agriculture and war, regarded the occupation of the merchant as disreputable and degrading. But time and necessity gradually disabused their minds of these ridiculous prejudices, till at last the most distinguished persons in the state were not ashamed of exercising a calling which they found so gainful to themselves, and so advantageous to their country.

When the swarms of barbarous nations from the northern hive had overrun the Roman empire, and parcelled it out among themselves, the prejudice against trade revived. Europe was for ages plunged in gross darkness and in perpetual warfare. The profession of arms was the only

one that was accounted respectable and manly. The people, hemmed in and kept down by an insolent soldiery, could have no communication with one another. Commerce, which can never flourish without liberty, was carried on solely by Jews and usurers, who were a continual prey to the exactions of a thousand petty tyrants. Being thus engrossed by men devoid of character and principle, it fell into disrepute. None but such wretches, allured by the expectation of vast profits, would undertake to pursue a calling environed with so many difficulties and dangers. Such, undoubtedly, was the origin of that aversion and contempt with which trade was for a long time regarded by what were called the higher orders in the old monarchies of Europe.

In the mean time, some republics, taking advantage of their liberty, engaged successfully in commerce, and by this means attained a degree of wealth and power that excited the admiration and envy of other nations. Venice, Genoa, Pisa, Holland, showed the rest of Europe the wonderful effects that commerce can produce. Princes then began to encourage it; the Cape of Good Hope was doubled; a new world was discovered; and the unexplored wealth of two hemispheres, the untold treasures of both the Indies, aroused the cupidity of the nations. They all rushed into this new source of aggrandizement, and the indifference with which they had hitherto regarded commercial adventure was changed into a universal enthusiasm, and they were soon found struggling with one another to secure the monopoly of the most lucrative branches of trade. From that time commerce has firmly established itself as one of the most honorable of employments, and one of the principal sources of national opulence and power.

ART. III.—THE COMMERCE OF THE EAST.

Embassy to the Eastern Courts of Cochin China, Siam, and Muscat; in the United States sloop of war Peacock. By EDMUND ROBERTS. New York: 1838. Harper & Brothers.

UNTIL within a very late period, there has not prevailed, among our mercantile community, that degree of information upon the productions, trade, and necessities of Asia, and the western coast of Africa, which our extending commerce with that quarter of the world has imperiously demanded; while, at the same time, our national government has been strangely indifferent to the pursuit of those inquiries, and the effecting of those treaties with Eastern powers, which would stimulate our merchants to renewed energy in this branch of trade, and by increasing the facilities for the accumulation of individual wealth, establish the more firmly the bulwarks of national prosperity. Even at the present day, much remains to be accomplished before American commerce with the East will be placed upon a satisfactory footing; and we feel confident, that attention will be readily and gladly directed to some remarks upon its present situation.

The extent and importance of this commerce may be estimated from the fact, that during a single year, there arrived in two ports of Java one hundred and one ships, the united tonnage of which amounted to thirty-eight thousand eight hundred and seventy tons; and yet, although to this demand for protection may be added the whale fishery on the Japanese coast, until within a trifling modicum of time, not a single vessel of war

afforded the protective influence of the flag of our country, from the west of Africa to the east of Japan, and our merchantmen trading to Java, Sumatra, and the Philippine Islands, were totally unprotected; we are not prepared to say that, even now, the appearance of vessels of war in that direction is dependent on more than the execution of some particular mission. But government has not of late years been wholly idle.

The afflictive circumstances attending the plunder of the ship *Friendship*, of Salem, Massachusetts, and the barbarous murder of a great part of her crew by the natives of Qualah Battoo, are impressed upon the memories of all, by the signal and salutary vengeance inflicted, by order of the government, by the U. S. ship of war *Potomac*. This transaction inspired the executive to undertake sufficient and decisive measures to obtain an understanding into the why and wherefore of the neglected state of American commerce with certain Eastern princes, and of the difference of duties paid on English and American commerce, in favor of the former; and to endeavor to effect treaties with the courts of Cochin China, Siam, and Muscat, where these disadvantages were most signal — which would place American commerce on a surer basis, and on an equality with that of the most favored nations trading to those regions. This result was of essential importance; for our commerce with Siam and Muscat rested on the most precarious foundation, subject to every species of imposition which could be the consequent of uncertain protection. And, furthermore, pecuniary extortions did not limit the liabilities of the American citizen. His person, in common with that of other foreigners, was subject, by law, to the uncontrolled discretion of his creditors; for the life, as well as the property of a debtor, was forfeit at the court of Siam.

Mr. Edmund Roberts, of Portsmouth, N. H., was deputed by our government, as a special agent to carry into effect these new measures; and we have been indebted to the interesting volume from his pen, published a year or two since, by the Messrs. Harper, for many of our data. While Mr. Roberts has labored to render his work subservient to the interests of commerce, he has not neglected to gratify the curiosity of the general reader; and has agreeably diversified his details of the accomplishment of his special purpose, by highly interesting descriptions of the natural scenery, productions, language, manners, ceremonies, etc., of the nations he visited. His work, thus rendered pleasing to all, is entitled, "Embassy to the Eastern Courts of Cochin China, Siam, and Muscat."

We cannot better fulfil our purpose than in accompanying Mr. Roberts in his progress, and presenting, in a condensed form, his observations, and the success of his mission; combining therewith such information as we have been able to glean from other sources, and such reflections as may seem of advantage.

In October, of the year 1832, the *Peacock* ship of war, bearing Mr. Roberts, anchored in the roadstead of Manilla. The bay of this city is of noble extent, and of a great degree of safety. The city itself, which, by a census taken in 1818, contained a population of upwards of six thousand, exclusive of the military, lies on the south side of the river Pasig. The commerce of the city is carried on at Binondo, St. Cruz, &c., — towns on the right bank of the river, with which Manilla is connected by a bridge of stone. The Europeans in the island, including the military, do not exceed seven hundred in number, while there are about seven thousand Chinese; the remainder are Indians. The principal articles of export are, indigo, sugar, rice, hemp, or Manilla grass, cotton, cocoa-nut oil,

sulphur, *bichos de mer*, coffee, wax, and hides. Of the article *bichos de mer*, a few words of explanation may be desirable. It is a fish, entitled by the English, sea slug, or sea cucumber; *balate*, by the Philippine Islanders; *bichos de mer*, by the Portuguese. When contracted, it resembles a cucumber, and it is difficult to discover the eyes and mouth. It is prepared in a variety of ways for food, and is very nutritive. No less than eight hundred thousand pounds of this fish were shipped to Canton in 1831 from Manilla. Our attention was first directed to this article of commerce by a highly intelligent and shrewd Irishman, named O'Connell, who had been shipwrecked in the Indian seas, and whose very interesting and instructive adventures were some time since compiled by H. Hastings Weld, Esq., of this city. The work did not obtain that attention which its intrinsic worth demanded. Mr. O'Connell was earnest in his belief, that, from the great estimate placed upon the *bichos de mer* in China, a very lucrative business might be carried on by exporting it from Manilla, or other islands, in American bottoms, to Canton. Mr. Weld gives, if we remember aright, in the work referred to, entitled, "O'Connell's Adventures," a detail of the process of preparing it for market.

A large portion of the rice is exported to Canton by Americans, to save the measurement duty; or to Lintin, when they proceed elsewhere to purchase other than China goods. Occasionally, from scarcity or caprice, the exportation is prohibited by the government. The Manilla hemp is the fibrous bark of a wild banana, and grows abundantly in all the Philippine Islands. The cocoa-nut oil is mostly shipped to Singapore, and from thence to England, where it is manufactured into candles. Wheat is raised in abundance, and ship bread, of a very superior quality, is generally sold at from four to five dollars the hundred pounds.

The imports are British, India, and China goods, wines, sheathing copper and nails, iron and steel, cocoa from Peru, &c. The import duty, in foreign vessels, is fourteen per cent., Spanish; the export duty, three per cent., excepting on hemp, which is free. The importations in 1831 amounted to nearly two millions of dollars; the exports for the same period to a million and a half.

The Spanish government permits no foreigners to remain at Manilla, even to this day, as permanent settlers; they are liable to be ordered out of the country by the governor at any moment, and this right is sometimes exercised.

Proceeding with Mr. Roberts, we arrive at Macao, from whence, some eighteen miles, is Lintin, or Lingting, both places of much importance in connexion with the Canton trade. This latter island was scarcely inhabited until 1814, when, in consequence of a dispute between the British and Chinese, the East India Company's ships remained here for some time. Population increasing, supplies of beef and vegetables became plentiful, and American and other ships were induced to make it a place of rendezvous. But the chief impulse was given to Lintin by the prohibition of the importation of opium both at Canton and Macao. The vessels engaged in importing the article repaired to this anchorage, where they found every facility, through Chinese boats, either to smuggle or purchase it. This was the origin of the opium "*go-downs*," as they are technically called, or receiving ships, for this and other articles for the Canton market. In 1832, there were seven or eight ships engaged in this illegal traffic, among which was one American vessel, named the *Lingting*. The contraband trade in opium has been steadily progressing, in defiance

of the Chinese laws, until, as is well known to the mercantile community, it has resulted in the total stoppage of the foreign trade. Most of the foreigners in Canton, by latest advices, had been imprisoned, and the foreign merchantmen in port captured and detained. The ship *Omega*, which arrived July 31st, and brought this important intelligence, was pursued, and barely escaped. The opium on board the English smuggling vessels had been seized, to the value of half a million of dollars, and the crews were ordered to be hanged.

These circumstances, of so recent a date, invest the opium trade with Canton with an interest which may authorize some more extended remarks upon it, and the objects of the Chinese government in its suppression. It scarcely attracted the attention of merchants previous to the year 1816. The Chinese authorities early adopted measures for its suppression, since it is one of the most destructive narcotics ever known. The stern interference of the government in regard to it has been the more necessary, from the collusion of the Chinese people with the smugglers, being eager to possess and indulge in its use. Its dreadful effects may be constantly observed in the streets of Canton, and a confirmed opium smoker is, of all pitiable objects, apparently the most degraded and worthless. In the terse and vivid description by Mr. Roberts, "when he has once passed the Rubicon, reformation seems to be impossible; the sting of death, which is sin, has seized upon him, his feet are already within the precincts of the grave, and he has sunk, like Lucifer, never to rise again. When the effect has subsided, an emaciated, nerveless wretch is seen, with a cadaverous skin, eyes wildly protruding from their sockets, the step faltering, the voice weak and feeble, and the countenance idiotic; but, while under the influence of the narcotic, the visions of the opium smoker are exquisite, brilliant, heavenly."

An idea of the destructive tendency of this trade may be gathered from a view of the alarming increase of the imports. In the season ending in 1817, three thousand two hundred and ten chests of Patna, Benares, and Maloa opium, containing one hundred and forty pounds each chest, were imported, which sold for the sum of upwards of three millions and a half of dollars. In the season ending in 1833, fifteen thousand six hundred and sixty-two chests, from India, were imported, which sold for nearly fourteen millions of dollars; and the advices by the *Omega* inform us, that, after the summary measures at Canton, opium to the value of twenty millions of dollars had been put on board the ships in the harbor of Macao, and six thousand boxes remained on shore. To this calculation, much is to be added for the importation of Turkey opium, of which no regular account can be obtained, and also for a quantity smuggled by Chinese junks from Singapore. This drug has been vended openly by the foreign merchants, but it is probable that a severe check has now been given to the trade.

Passing to Canton and its commerce, the first curious and well known fact obtrudes itself upon our notice, that the policy of the Chinese government should have confined the commerce of the whole empire to this one port; which fact is of incalculable disadvantage to it, since its most distant provinces participate in the commerce of Canton, and there is in all of them a greater or less demand for foreign productions, which, however, is materially restricted by the difficulties attending their supply, and the conveyance of domestic products across the empire in return. Nor is this policy immaterial to the foreign trader. The competition between the expense of conveying black teas from Fuh-keen, the province in which

they are produced, to Canton, and of their conveyance to the port of Fuh-chou, in Fuh-keen, exhibits, that admission to the latter port would save the East India Company nearly £200,000 annually.

The English did not begin an intercourse with China until about the year 1635. The whole number of English arrivals in 1832 was eighty-seven, and the value of their imports and exports was as follows: imports, twenty-two millions and a half of dollars; exports, eighteen millions and a half. The American trade to China began after the revolutionary war. In 1784 or 5, by the earliest information which can be obtained, two ships were sent, laden, to Canton. In return, they carried to the United States eight hundred and eighty thousand pounds of tea. In the following season, only one vessel was sent: in 1833 the number was fifty-nine. The imports and exports of this latter period were as follows: imports, about eight millions and a half of dollars; and the exports, some ten thousand dollars greater. The whole China trade with all nations, in 1832-3, employed, annually, one hundred and forty first-rate vessels, and a large amount of capital. It is a very important branch of modern commerce, yet it has ever existed, and is still carried on, under circumstances peculiar to itself. No commercial treaties secure it, and it is regulated by no stipulated rules; yet it lives, and, in spite of the overthrows which temporarily shackle it, must flourish.

Vessels intending to proceed to Canton, must obtain a permit and a pilot at Macao. So soon as one arrives, before the cargo can be discharged, the consignee is necessitated to obtain a *security merchant*, a *linguist*, and a *comprador*. The former gives security to government for the payment of duties on the ship; the linguist holds the rank of interpreter, transacts all business at the custom-house, procures permits, &c.; and the comprador provides stores and provisions for it while in port. The security merchant must be a member of the *co-hong*, a company composed of twelve individuals, and usually called the *hong merchants*. They rank among the most respectable and wealthy inhabitants of Canton, and enjoy the great bulk of the foreign trade.

The *port charges* consist of measurement duty, *cumshaw*, pilotage, linguist and comprador's fees. The measurement duty varies;—on a vessel of three hundred tons, it is about six hundred and fifty dollars; of thirteen hundred tons, three thousand dollars. Tonnage is not, however, an unvarying criterion for measurement duties; but, for all ships, the *cumshaw*, pilotage, and comprador's fees, amount to two thousand five hundred and seventy-three dollars.

The Chinese weigh all articles, bought and sold, which are capable of being weighed; as money, wood, liquids, &c. On this account, their dealings are manifestly more simple than those of other nations who buy and sell with more particular reference to the articles themselves. The circulating medium between foreigners and the Chinese is broken Spanish dollars, the value of which is computed by weight. Mexican and United States dollars are not received by the Chinese. Each individual coin receives the mark of the person through whose hands it passes; and as these marks soon become numerous, it is speedily broken in pieces. But the process of stamping still continues, until, finally, the fragments become so small as to be paid away altogether by weight. The highest weight used in reckoning money is the *tale*, which is about a dollar and thirty-nine hundredths; the next, the *mace*, equal to one tenth of a *tale*; next, the *candareen*, a hundredth of a *tale*; and the least, the *cash*, of which

a thousand make a *tale*; this last, however, is the only Chinese coin, and is made of six parts of copper and four of lead. The weights, besides those of money, are, first, the *pekul*, equal to one hundred and sixty-two pounds and a fraction, (troy;) the *catty*, the hundredth part of a *pekul*, and the *tale*, the sixteenth part of a *catty*.

We now accompany Mr. Roberts upon his immediate mission. He first visited Cochin-China, coming to anchor in the fine harbor of Vung-lam, about one hundred miles from Hué, the capital. We regret that we are unable to record any successful results of his communication with the government of this kingdom. While disposed, in compliance with the demands of eastern etiquette, to sacrifice personal feeling to a degree, he did not deem it proper or advantageous to compromise the dignity of his country, or jeopardize her honor; and, since insulting formalities were required as preliminaries to a treaty, no alternative was left but that of terminating a protracted correspondence, signalized throughout by the grossest duplicity on the part of the official servants of the emperor. At the same time, he was unable to obtain any accurate information respecting the productions and government of the empire.

Weighing anchor, the Peacock conveyed Mr. Roberts to Siam; he being charged with the first mission ever sent to that kingdom from the United States. The respect and attention which he received were highly gratifying, since they testified to the good feeling entertained towards the country of which he was the representative. It is extraneous to our design to enter upon the consideration of any inquiries and observations not of a commercial character, or we could highly entertain our readers with some very happy and interesting descriptions of the manners, customs, etc., of this singular people. We can only refer the reader to Mr. Roberts' book, by the perusal of which he will not fail to be equally instructed and amused.

Siam is a fertile country, and probably exceeds any other country to the eastward of the Cape of Good Hope, in productions suited for foreign trade. It is no less distinguished for its mineral than its vegetable products. Its exports for the year 1832 amounted to a sum not less than four and a half millions of dollars. It would consume too much room to enumerate all, or the most of the articles, which compose them; the most important are, pepper, sugar, tin, bar-iron, cotton, dried fish, sapan-wood, teak-timber, rose-wood, barks, leather, iron-wood, pitch, wood oil, palm sugar, rattans, cardamom, ivory, skins of various kinds, raw silk, etc. etc. The imports consist of British piece goods, white and printed, with some woollens; India goods; China products in general; powder, arms, cannon, glass ware and crockery, cutlery, arrack, wine, etc. Cotton twist is increasing in demand. The *dresses* should be of *star* patterns, as also *prints*, on bright grounds.

In March, 1833, Mr. Roberts effected a treaty with the government of Siam, removing all obstacles to a lucrative and important branch of our commerce. The merchant may now buy or sell of whom he pleases; whereas, prior to this treaty, the American merchant was compelled to purchase and sell of the king's agent, that functionary claiming the exclusive right so to monopolize the trade. In addition, the American merchant was compelled to submit to extortion of various descriptions—he could not sell for a fair value, nor purchase at fair rates—the duties and port charges were not defined, and were immoderate; and presents were exacted, generally to the amount of a thousand dollars per ship. By the articles of the treaty, these irregularities are removed, making a difference of

not less than \$30,000 on a cargo of \$40,000. The king's monopoly is broken up, the price of sugar is fixed, as are the duties and charges, and presents are no longer required. That an estimate of the commercial importance of Siam may be made, we state, that the population of the capital and Bang-kok, an adjacent city, is four hundred and fifty thousand souls.

We proceed with Mr. Roberts to Muscat; the sole object of his visit to that kingdom being to effect a commercial treaty with his highness the Sultan, and to obtain a reduction of the duties and port charges, so as to place American commerce on a footing with other nations. This was accomplished without delay. Previous to the conclusion of the treaty, American vessels paid generally seven and a half per cent. upon imports, and the same upon exports, with anchorage money and presents; government claiming the right of pre-emption in both cases, as in Siam. By the treaty, the commerce of our country is burdened with but a single charge, viz., *five per cent.* on all merchandise landed; and it is freed from the charge of pilotage.

The Sultan of Muscat is more powerful than any native prince from the Cape of Good Hope to Japan; possessing a more efficient naval force. His possessions in Africa stretch from Cape Delgado to Cape Gardafui; and in Arabia, from Cape Adento to the entrance of the Persian Gulf; and the coast of the Persian Gulf is tributary to him. From his African ports are exported gum-copal, aloes, gum-arabic, colombo-root, and other drugs, ivory, tortoise-shell, hides, beeswax, cocoa-nut oil, rice, etc. The exports from Muscat are, wheat, dates, horses, raisins, salt, dried fish, and drugs.

We have thus accompanied Mr. Roberts through the objects of his mission, and presented to the reader the results of his investigations so far as they are included in the scope of our intended inquiries. They will be perused with interest, we doubt not, for the information they convey, and the prospects they advance.

ART. IV.—COMMERCE WITH JAPAN.

Notes of the Voyage of the Morrison from Canton to Japan. By C. W. KING. New York: 1839. E. French.

THE monopoly which the Dutch have enjoyed in commerce with Japan for more than two centuries, to the almost entire exclusion of all other European nations, has often arrested the attention and excited the wonder of commercial men, while but few have taken the trouble to ascertain how this important privilege was first obtained, or how it has been secured till the present time. To Mr. King, a member of the highly respectable house of Talbot, Olyphant, & Co., and the accomplished author of the volume before us, the public, and particularly the commercial public, are greatly indebted, for the new light which he has thrown upon an important portion of Eastern Asia, in prosecuting a voyage, mainly dictated by the most honorable feelings of humanity—prompted by a desire to return to their native land several wretched exiles, some of whom had been wrecked near the mouth of the Oregon upon our own coast. Not the least entertaining and important part of Mr. King's work, is the introduction, containing a clear and well-digested account of the intercourse, at different periods, of Europeans with the Japanese empire; and before

we proceed to detail an account of the voyage, we call the readers' attention to a synopsis of this part of the book, compiled chiefly from Charlevoix, Kaempfer, Krusenstern, and other writers, to whose works, from their great scarcity, the public cannot easily obtain access.

Accident first brought the Portuguese in contact with the remote empire of Japan. In the year 1542, Fernando Mendez Pinto, taking passage in a junk from China to Loochoo, was driven by a gale to one of the western islands of the Japanese archipelago. In the same year, the celebrated Xavier arrived at Goa, and began in India his apostolical career, and at the same time a commercial intercourse began between the western ports of Japan and Macao. In 1549, Xavier landed with two companions and a Japanese convert at Kagôsima, where, by permission of the prince of Satsumâ, he founded a church and preached the gospel, and obtained many followers. Xavier was soon cut off by death, but he had many successors, who had to contend with the constantly fluctuating friendships of the princes and rulers. About the year 1566, the Portuguese traders first pointed out to the prince of Omura the advantages of the harbor of Nagasaki over the ports they had been used to frequent. "Their suggestions," says Mr. King, "led to the formation of a settlement, which, ere long, became an important city, and which retains an unhappy celebrity down to our day. It may give some idea of the rapid extension of catholicism at this time, to add, that the successor of Xavier died in 1570, having founded fifty churches, and baptized more than 30,000 converts with his own hands. Yet, mingled with these successes, we have accounts of the apostasy of one of the princes, and the persecutions inflicted by order of another."

In 1582, when Fide Yosi, the famous Taico, began his reign, he found himself under the necessity of favoring the Jesuits, many of his best officers being their friends. It is said that the monarch's refusal to give up his Harem was at this time the only reason that he was not himself baptized. But Taico was ambitious and unprincipled, and soon came to an open rupture with the missionaries, assigning as one reason for this unfortunate change, the refusal of the ladies of Christian families to share the royal bed. In 1587, he issued his first edict for the banishment of the Catholics; they were required to retire to Firando within twenty days, and to depart from the country within six months, on pain of death.

"The crosses they had erected," says Mr. King, "were ordered to be thrown down, and the churches razed. The Portuguese trade was permitted to go on as before, but the merchants were forbidden to bring any more missionaries, or to speak on religious subjects with the Japanese. A hundred and twenty missionaries left their stations, in submission to this edict, and retired to Firando. An order then came for them all to embark in a ship about to sail for India. This was the *test*. A few obeyed, but the greater number refused to abandon their flocks, and once more scattered themselves through the principalities of Omura, Arima, Bungo, &c."

Under all the persecutions of various princes, the Jesuits retained a strong foothold in Japan, and the Portuguese continued to carry on a profitable commerce till the reign of Yeye Mitson. By his orders, the prison of Desima, off Nagasaki, was constructed, and in 1635 the Portuguese were there confined, and the Dutch taken into partial favor. The patience of the native Catholics became exhausted, and those of Arima and Simâbara flew to arms. "Thirty-eight thousand of them," we quote from Mr. King, "fortified themselves in the latter place. The besieging army,

eight thousand strong, could not reduce the fortress; and the Dutch director, Kockebecker, was summoned to its aid. The walls of Simábara were battered by the Dutch cannon, and its brave defenders perished to a man, fighting to the last. Some apology might again be made for this co-operation at the siege of Simábara, had its defenders been the countrymen of Alva, or Requesens, or John of Austria, or Alexander Farnese. But truth requires that the measures of Kockebecker should be regarded as the alternative, which he deliberately preferred to the interruption of the Dutch trade."

Many false charges were preferred against the Portuguese; their ships, when they arrived, were ordered away. On the receipt of this information at Macao, great consternation prevailed, and four distinguished citizens were sent to soften the rigorous proceedings of the government of Japan. They arrived at Nagasaki in 1640, and were immediately put under arrest, and sentenced to death for entering the country in violation of the edict. The following impious inscription was placed on their common grave:—"So long as the sun shall warm the earth, let no Christians be so bold as to come to Japan; and let all know, that the king of Spain himself, or the Christian's God, or the great Saca, if he violate this command, shall pay for it with his head."

Thus ended the valuable commerce of the Portuguese with Japan, which at various times they vainly sought to renew. We now come to the history of the DUTCH INTERCOURSE.

Our preceding remarks have chiefly related, necessarily to a full understanding of the subject, to ecclesiastical matters; the history of the Dutch intercourse is strictly commercial in its details. The first ship belonging to the Dutch that visited Japan, was one of the five vessels that left the Texel, under command of Admiral Mahu, in 1588. Permission was obtained to trade with Japan, but some years passed away before use was made of it. On the arrival of Dutch ships in 1611, a formal edict in favor of their trade was obtained. A decided preference was shown to the Dutch nation by the reception of their envoy; while the Corean and Portuguese ambassadors were turned away. About the year 1627, an embassy from Batavia arrived in Japan, headed by the unfortunate Nuits. Mr. King observes,

"This envoy gave himself out as an accredited minister of the king of Holland, and was received as such; but when the imposition was detected, when his credentials were found to date from Batavia, the royal reply was withheld, and he was sent home. Appointed soon after governor of the Dutch settlements on Formosa, and not having forgotten his unceremonious dismissal, he seized two Japanese junks by way of revenge. After being detained on different pretexts for more than a year, the exasperated crews armed themselves, surrounded the house of Nuits, and made him prisoner, killing his guard. They then demanded their sails and anchors, indemnification for all their expenses, and twenty-five thousand pounds of silk, which they said they had advanced the money for in China, and which was now lost in consequence of their having been so long detained. The garrison, seeing their governor in danger, and fearing to commit a violence which might be revenged on all the Dutch at Firando, complied with these demands. The Japanese were dismissed, and reported all to their government on their return home in 1631. When their story reached the Kubo, he ordered the ships of the Dutch Company, nine in number, to be seized, and the trade to be stopped. No explanation was given, and all the efforts of the director to obtain

any, or to adjust the difficulty, were in vain. The utmost influence of the director could only effect that their merchandise in Firando, amounting to a million of crowns, should be sold, and the proceeds retained.

"The Dutch relations remained in this anomalous situation three years. The non-arrival of vessels, and indirect reports, alarmed the authorities at Batavia, and a private vessel was sent to ascertain the true state of affairs. This vessel was permitted to discharge and receive a cargo, with which she returned to Batavia; but her voyage threw no light on the cause of these strange events. Meanwhile Nuits had been recalled to Batavia from Formosa, and kept under arrest. The impression became general that his detention of the Japanese junks was the outrage now so severely visited on the Dutch. In vain the poor man begged that he might be tried for his offence, and, if justice required, be put to death. It was determined to sacrifice him as a sin-offering to the offended Kubo, and in 1636 he was sent prisoner to Japan. On his landing, he was given up to the authorities as the author of the outrage at Formosa, and the mercy of the government besought on his behalf. The expiation was now made, the trade was re-opened, but Nuits was still held in suspense. An embassy came with rich presents the following year, the emperor was again entreated in favor of the humbled prisoner, and he was then released and permitted to return home. There are few instances in history of a more perfect execution of the *lex talionis*,—of a more humiliating recoil of private revenge."

"The Dutch were now left in sole possession of the trade with Japan, and since that time, it is well known, their monopoly has never been disturbed. Their subsequent political intercourse has been limited to an occasional mission from Batavia, and the visits of the Dutch chief of the factory to Yeddo, formerly made annually, but now once in four years. Charlevoix mentions embassies in 1644, 1656, and 1659. It was while the second of these missions was at Yeddo, that two thirds of that city, and one hundred thousand of its population, were destroyed by fire. It remains to trace briefly the use the Dutch have made of the monopoly to which they had so long aspired.

"Of the assortment and value of their import cargoes, in the 17th century, we have little or no account. Their returns had been in silver chiefly, until 1641, when the directors of the company suggested returns in gold. Japanese copper was at this time in little estimation in Europe, because little known; but afterward, on a rise in value, it became an important return. The first order, for twenty thousand piculs, was sent out in 1655."

As early as 1671, the drain of their gold, silver, and copper, began to excite the fears of the Japanese; the export of silver was prohibited, but copper and gold still remained free. The amount of the latter exported by the Dutch in one year was one hundred thousand kobangs, and yielded a profit of one million florins. The government becoming more and more interested in the drain of their metals, at last laid heavy restrictions upon their commerce, and limited the value both of exports and imports. In 1700, the limitation already laid upon the imports was extended to the ships of the company, which were restricted to four per year; and as a further trial of patience, the export of copper was limited, in 1714, to fifteen thousand piculs, and the number of annual vessels to two or three, according to the quantity of copper in store. "Under these circumstances," says our author, "the trade, which had yielded an annual profit of five or six hundred thousand florins for the thirty years previous, would no longer pay the charges."

Relative to the reductions of the currency, Mr. King makes the following remarks :

“The successive reductions of the currency, and restrictions on metallic exports, were regarded by the Dutch as aimed entirely at them. But on this point we agree with Sir T. S. Raffles, that the Japanese government probably had higher aims. In fact, it seems clear that the enormous export of gold and silver coin was felt as a great evil in a country where paper money was not known. This drain is variously estimated at from thirty to sixty million pounds sterling, in the sixty years when the export was free. Now, if the influx of specie from the American mines in the sixteenth century, at the rate of six million pounds per annum, speedily reduced the value of gold and silver in Europe to one third what it was before, how probable it is that the circulating medium of a country so small as Japan would be seriously diminished by so great a drain. In fact, with the views which the Japan ministers possessed, we can only wonder that the export was permitted so long. The subject is not one beyond the range of Asiatics. A comparatively trifling export of silver, resulting from the opium trade, is at this moment engaging the cabinet of Peking, and has elicited very able memorials from Chinese statesmen within the last twelve months. The love of gold and silver, and the reluctance to part with them, are no doubt indigenous every where, even in China and Japan. The restrictions on the export of copper seem to have arisen from similar fears of exhausting the mines. Many years later, we find a pretended friend of the Dutch counselling that so much only should be exported annually as the country would forever afford ; ‘because trade is the basis of the friendship of the Hollanders, and copper is the support of the trade.’”

In 1811, when Holland fell under the French occupation, Great Britain took possession of the Javan Islands, and the Dutch residents at Nagasaki were more than three years without communication with Europe.

It is not to be supposed that the Dutch monopolists will permit any tempting disclosures to be made relative to their profits ; but, from their own mismanagement, they have probably not been great at any period since 1740.

It is hardly necessary to give a detailed account of the frequent attempts made by England to open a commercial intercourse with Japan ; it will be sufficient to mention the last effort, which terminated in a failure.

In June, 1819, Captain Gordon touched at the bay of Yeddo, on his way to Ochotsk, in a small brig ; he forwarded to Yeddo, through some government officers, a request to trade. The petition was rejected, and thirty junks sent to tow the brig out of the bay.

In 1803, the Russians, desirous of opening an intercourse between Kamtschaika and China, dispatched an expedition under the direction of M. Resanoff. Long negotiations followed the arrival of the ambassador at Nagasaki, and the result of six months' conference was, that the letters and presents of the emperor were rejected, and an edict issued, that in future no Russian ship should approach the coasts of Japan. It is worthy of being mentioned, that some shipwrecked Japanese, carried home by the Russians, were immediately sentenced to imprisonment for life, it being a law in Japan that no person shall leave the country and return to it without death or imprisonment.

When that famous and extraordinary man, Colbert, took charge of the deranged finances of France, he with wonderful foresight projected an expedition to Japan, which, however, from causes that do not appear, was never carried into execution.

The voyage of the Morrison commenced on the 3d July, 1836. We have before mentioned that the principal object Mr. King had in view, in prosecuting the voyage, was the laudable one of returning to their native land several shipwrecked sailors. The whole memoranda of Mr. King is highly interesting, and filled with romantic incidents, but we must content ourselves with barely mentioning a few facts, relative to the subject. After remaining a few days in the harbor of Napa, the Morrison departed for the bay of Yeddo; Yeddo, the reader need not be told, is the capital, and as Mr. King hoped to be able to effect some arrangement by which American vessels might be permitted to enter the ports of Japan, he concluded to proceed directly to that city. On arriving in the harbor, Mr. King prepared a paper addressed to his imperial majesty, from which the following is extracted:

"The American vessels sail faster than those of other nations. If permitted to have intercourse with Japan, they will communicate always the latest intelligence." * * * * *

"Our countrymen have not yet visited your honorable country, but only know that in old times the merchants of all nations were admitted to your harbors. Afterwards, having transgressed the law, they were restricted or expelled. Now, we, coming for the first time, and not having done wrong, request permission to carry on a friendly intercourse on the ancient footing."

On arriving at the bay of Yeddo, the Morrison was visited with a large number of boats filled with Japanese, who were treated in the kindest manner, and presented with ornamented pattern cards of British goods, American five cent pieces, and other trifles, which they appeared to value highly. Mr. King vainly endeavored to obtain a mandarin to convey his papers and presents to the capital, which lay at the head of the bay. "We had inquired," says our author, "of the Japanese, how their officers were distinguished; whether they wore any badges besides the ever-famous 'two sabres.'" The answer was, *if you see a man come on board that trembles very much, he is a mandarin.*"

The friendly intercourse maintained on the first day of Mr. King's visit gave strong hopes of a favorable issue of the undertaking; but at daylight on the following morning a fire opened upon the Morrison, from a battery which had been formed under cover of the night, and as the Morrison carried no guns, she was obliged to depart without having accomplished any thing—not even permission to land the exiles. Mr. King proposed to put the exiles on board one of the junks at sea, but they replied that the crews on board all the junks are registered, so that even when one dies on board, it is necessary to exhibit the body to the local officers on the vessel's return, to satisfy them that there has been no evasion of the law in this change in the original number. The law which prohibits a Japanese to go abroad, and that which prohibits the arrival of strangers, are enforced with equal rigor. In order to make one more effort to accomplish the chief object of the voyage, Mr. King set sail for Kagósima, and on his arrival there, prepared papers and presents for the prince of Satsumá, which, however, were not received, and the Morrison returned to Macao, and some of the exiles afterwards found their way to this country. For the inferences drawn from the results of this voyage, we refer the reader to the volume before us. There can be but little doubt but our government, by the exhibition of a small naval force, could effect arrangements with the Japanese government, highly advantageous to American commerce.

ART. V.—BANKS AND THE CURRENCY.

WE have determined upon the publication entire of Mr. Hamilton's pamphlet on Banks and Currency, not because we agree with him in all that he advances, so much as from a desire to present to the public whatever the times may produce of interest upon the subject. The author is evidently a thinker. He perceives and points out many of the difficulties which now attend the action of the pecuniary system of the United States, and is at least ingenious in his suggestion of a remedy. We think there is much in the letter that deserves attentive consideration even from those who may disapprove its conclusions. New theories always require time to make their way into the confidence of the community. The principles upon which they rest, if really sound, are made better known after they have been subjected to the examination of different minds, and tested by opposite methods of analysis; and the difficulties which almost always are found to obstruct any immediate successful adoption of them, are more likely to be discovered and removed by discussion than in any other way.

The author starts with the proposition, that government, by which he means the sovereign power, whether residing in the several or the United States, has relinquished the control over the power to create money—this act or omission is the cause of the embarrassment which is now felt in the currency—hence no real remedy can be found excepting through the recovery of the lost power. This is therefore the object of the plan which he brings forward—a single bank of issues for each sovereign power.

We have no difficulty in conceding to the author that he has gone to the root of the evil. We agree with him in believing that the present plan of unlimited paper issues cannot be made safe to the community, and that, theoretically, it would be better to have these confined to a single source. But when we compare the state of things actually existing among us with the remedy which he proposes, in the manner in which he presents it, we confess ourselves to be doubtful of its beneficial operation. Mr. Hamilton does not attempt to go beyond the state of New York. His letter is addressed to the Legislature of this state only, and has reference to the creation of a system which may not be extended beyond its limits. We do not mean to be understood to say that he does not contemplate its possible adoption in other states, but that this is regarded only as a contingency, the failure of which will not affect its successful operation in a more confined sphere. This appears to us rather to evade the great difficulty of the present question. That difficulty is to be found in the necessity of concurrent legislation on the part of twenty-six separate and independent sources. These twenty-six states have all, without exception, exercised the right of authorizing the issue of paper money in the shape of bank bills, and many of them derive a direct benefit from the sale of that right, either by an annual tax on capital, or a large bonus, or they own some of the stock of the banks created, or they guarantee the repayment of the capital which has been borrowed abroad, which repayment must be secured by the profit upon a paper circulation. Here are causes of opposing legislation, various enough and powerful enough to destroy all prospects of harmony. The evil which afflicts us is in the multitude of the sources of power which leads to an abuse of it, and puts an end to all hope of that unity of action regarded by us as indispensable to the introduction of a better state of things. This evil is aggravated by the

connexion of interest which exists between the creatures and the creators, and by the variety of local influences which may be brought to bear upon the latter, through which good principles may often be undermined and bad ones disseminated. Among so many discordant elements, it would be as unreasonable to expect harmony, as if a musician should expect his instrument to yield twenty-six notes precisely the same in sound, notwithstanding it was constructed to give them different, was set in different keys, and was subject to be put out of tune by all ordinary accidents, as well as the changes in the weather and the season.

Under these circumstances, to propose to New York to begin upon a scheme like this, without reference to the course of other states, seems to us to be at best of very little use. The currency of a people speaking the same language, having the same manners and habits, and subject to the same vicissitudes, never can nor will recognise any conventional lines of geographical distinction, nor any theoretical abstraction of state sovereignty. As a consequence of this, it has always been found that the bank note money in circulation in any particular spot does not bear so close a relation to the state authority under which it is issued, as to the opinion entertained of the ability to redeem it, and the nearness of the place, or other facility of redemption. So long as there is no uniformity of action, New York cannot escape the effects of the policy of her neighbors in counteraction of her own. She must be subject to the operation of expansions or contractions of the currency growing out of their paper issues, nearly as much as if she herself was concerned in producing them. The credit which attaches to paper money is a subject which has not yet met with the full and complete analysis which it deserves. It can be arbitrarily destroyed just as little as it can be arbitrarily created. It is the result in a great degree of *opinion*, which every body knows not to be easily regulated in these days. Hence we are inclined to believe that in a country like ours, where the supply of the precious metals for money is acknowledged to be entirely unequal to the demand created by the activity of the trading disposition of the people, paper resting upon credit will be made to serve the turn; and inasmuch as the paper does rest upon credit, or, in other words, upon the good opinion which the party receiving it has of the solvency of the party that issues it, we think it will find a circulation for itself wherever it is not positively forbidden. And the extent of that circulation will depend upon other considerations more than even upon the prohibition itself.

If our view of the matter is correct, then the proper method of executing the author's plan can only be through the agency of the national power in the first instance. Against the expediency of this, in an abstract view of the case, we are not prepared to object—on the contrary, we incline to the opinion that it would be a material improvement upon our past system of legislation; but there is a practical difficulty in the way which appears to us very serious. The whole theory upon which it rests runs counter to the feelings and prejudices, and even the principles, of a majority of the people of these states. It is in its nature prohibitory of a right which has been for fifty years exercised without restraint or question, the surrender of which would involve the sacrifice of many private interests built upon its continuance. It has also the appearance of giving additional strength to the national power, deemed by many people to be too strong already. The argument against all consolidating doctrines has ever been received with favor by great numbers of persons in the Union, and within proper limits may be allowed to be a safe and reason-

able one. We should therefore despair of ever making a project of this kind generally acceptable. In proposing schemes for the public good, it is as necessary for the statesman to consider the character of the people for whom he is acting, as the value of the object he has in view. Their habits, passions, and prejudices, require as much attention as their interests. The point always must be, not so much what might be best, as what is most practicable. Many plans could be devised, which, considered in themselves, would be likely to be of great service if adopted in this country, but which in the present state of public feeling it would be idle even to discuss. We are inclined to think this one of a single bank of issue must be ranked among the number of them. For however we may be willing to admit that it has many things to recommend it, and avoids many of the objections which exist against the present unregulated state of the currency, there is one great difficulty in adopting it, which we do not see our way to get over; and this is, that it is suited neither to the character of our institutions nor to the prevailing notions of our people; for it creates a central power, not in accordance with the principles of government held to be sound by a very great majority of those whose consent with us makes a necessary part of every law.

But even if the scheme were more likely to be popular than we suppose, there is yet one portion of it which appears to us to be liable to objections that should not be overlooked, even in so general a notice as this of ours. Mr. Hamilton's project can hardly be said to be entirely original with him, but appears rather to be the result of the reflections which he, in common with most of the late writers on the subject upon the other side of the water, has made upon the evils of the present system. If we understand him rightly, he is for introducing into New York the idea which has been heretofore suggested in the *Edinburgh Review* as fit to be acted upon in England, namely, that the issue of paper to serve as money should be confined to one body. This issuing bank is not to be either a bank of discount nor deposit, but these sorts of business are to be left to another class of institutions, which are to be in their turn denied the privilege of circulating any paper of their own.

Now, if the issuing bank neither discounts notes nor receives money in deposit, it will not possess either of the channels by which paper most easily finds its way into circulation, but they will be in the hands of the other class of institutions already alluded to. These must therefore become the great customers of the issuing bank for its bills. But if they are, and give to her the security which she may deem to be sufficient in exchange for those bills, they will not trouble themselves nor incur the additional expense of keeping on hand any supply of the precious metals with which to redeem them, but will always look to the issuing bank as the source of that supply, which may enable them at any moment of panic among their depositors to stand a run. Hence the bank of circulation will almost unavoidably become involved to a considerable extent in the good or bad fortune of the other banks; and she must always be prepared to stand alone the brunt of every commercial difficulty that may occur. This is found to be the constant effect of a partial adoption of the system in Great Britain. The private bankers are always the first to feel the effects of a convulsion, and to support themselves they immediately look to the Bank of England as the great reservoir of specie, from which they seek to draw as much as their command of the notes of that bank will enable them. Hence the run which begins upon the private bankers, concentrates itself upon the Bank of England through their

agency. It is clear that results of the same kind would follow the adoption of Mr. Hamilton's plan here. Indiscretion on the part of the discounting bankers would bring on a run from the depositors, to meet which, the notes of the issuing bank will be amassed in quantities, and returned upon it for immediate conversion into coin. This operation would go on, too, with very little reference to the terms upon which those notes were supplied, or to the goodness of the security which was given in exchange for them. An inevitable consequence must be, that the issuing bank, whether willing or unwilling, would be obliged to share largely in the risk of the business of the private bankers, and be exposed to bear the whole of the burden of any pecuniary convulsion consequent upon their mismanagement.

This difficulty is thought to have been removed in England by the insertion of a provision in the new charter of the Bank of England, by which its notes are made a legal tender in the hands of any one, excepting those of the bank itself. A private banker, therefore, who deals in those notes, has no longer any anxiety about converting them into coin, inasmuch as they are as good to him as coin for the purpose of releasing himself from any demands that may be made upon him. Doubtless this is a very convenient arrangement, and may, for aught we know, work very well; but we must be permitted to doubt whether it rests upon any sound principle of commerce, or, indeed, any thing but an arbitrary distinction. The measure seems to assume that as a fact which never can be a fact—that paper is the same thing as coin. Knowing as we do the history of paper money throughout the world, we have no right to presume that the notes of the Bank of England are an unfailing standard of value. They are liable to be affected by political events to an extent which can never be felt by coin, and any loss in their value would, as things now stand, not merely be felt by the creditors of the Bank itself, but would extend to all contracts, however honestly entered into, with every private banker who does not circulate his own notes throughout Great Britain. While, therefore, they are, as a class, shielded from much danger by the present provision, it is plain that the public incurs all that they are saved.

We are not, however, called at this time to go into any detailed exposition of our views upon this subject. Mr. Hamilton does not appear to contemplate any such measure in his plan, and, if he did, we very well know that the adoption of it would not be possible consistently with the terms of the constitution of the United States. We are very glad that it is not, on many accounts, but most particularly on this, that a bar is put by it to the possibility of making political conjunctures the apology for the issue of irredeemable government paper, or of that which, originally professing to be redeemable, would, in process of time, cease to be so. The great danger of all national monied institutions, which do not rest upon private responsibility and commercial interests for their safe management, is to be found in the abuses to which they are liable in moments of political crisis. With all the difficulties attending our present system, we candidly confess we would rather take our chance of the solvency of any of our honestly managed commercial banks, than of government paper under a succession of partisan administrations. We fear that the tendency of much of the doctrine of the present day respecting the currency, leads to some exponent of this kind, imperceptibly even to the minds of those who advocate it. To any such we cannot too earnestly give expression to our opposition, as being in principle anti-republican, in practice eminently

unsafe, and disastrous to the public prosperity even in its remotest consequences.

But we will not longer detain our readers from the perusal of the pamphlet itself. Many of them may regard our objections as unsound and valueless. We present them in no spirit of fault-finding, but from a simple conviction of their importance. We lay no great stress upon them, for the reason that in this age and country, and, above all, at this moment, it does not become us to be dogmatical. For the same reason, although entirely differing from the author in his view of the inexpediency of the return to specie payments in 1838, we abstain from holding any argument upon the point. The question is now reduced to a mere difference of opinion upon a theoretical principle, about which it is perfectly fair for every person to think as he likes best.

A LETTER by ALEXANDER HAMILTON, of New York, on the subject of BANKS and the CURRENCY, proposing the Creation of a State Bank of Issues, and the Restriction of Private Banks to Circulation, Discounts and Deposites, addressed to the Honorable the Legislature of the State of New York.

GENTLEMEN :—IF it will not be deemed obtrusive on the part of a private individual, I take the liberty to offer, for your consideration, a few remarks on the subject of our currency, which, although they may not entirely meet your assent, cannot fail to be respected as worthy of record for future reference. In the project I am about to suggest, there will, perhaps, be found no other recommendation than an attempt to reconcile the ultra speculations of an exclusive metallic currency with one of a representative character, based on absolute responsibility, convertible into specie.

It may be asked why any effort should be made, at the outset of an experiment, the advantages or defects of which could not have had an opportunity for development, that a project, essentially changing the whole system, should be brought forward. To this it may be replied, that it has ever been held the wisest policy in political as in military tactics, always to be prepared with a corps de reserve, should necessity render it expedient to modify or change the position which may have been assumed. I, however, contend, inasmuch as the general banking law is only on trial, it is the duty of the legislature to have in view some substitute in the event of a failure, and not be taken entirely by surprise at the moment of embarrassment. In the present experiment, there is nothing of real novelty, except it be the extraordinary fact, that government has relinquished the control over one of the most delicate attributes of sovereignty,—the power to create money, and that, to an unlimited extent.

The door has been thrown wide open for the issue of a paper currency; the old system and the new are in full operation, each dependent on the other for permanent existence, while, in fact, in their action, the several banks are heterogeneous, antagonist, independent. There are no two institutions having a common interest, and none governed with reference to the public welfare. The polar star of each is profit; this is the guide, aim, and object of private banking, and the legitimate pursuit, when restricted to honorable and honest operations. It is, nevertheless, equally correct, that while these associations ought to be unlimited in the use of their capital, and its intelligent employment, they should never be entrusted with a power which, if abused, may shake the national prosperity to its foundation. In accordance with the general impression, our banks are sound, well managed, and, as monied institutions, entitled to respect; if this be their true condition, then, with great deference, I apprehend this is the precise period when any change, which may have a tendency permanently to secure and preserve their usefulness, should be adopted—at least, discussed. Is not the reason as powerful now as at the recent crisis it was represented to be, that one of the chief causes of the embarrassment resulting in a suspension of specie payments, was the existence of an inconsiderate multitude of currency purveyors? If so, what is to be the influence of our general banking system? Does it tend to curtail or to expand the difficulty; or, has it, by some new light, been discovered that the paper medium is more stable in proportion to the sources of its creation? At any other period than the present, these inquiries would be regarded as unmeaning, and yet they are the incidental and natural considerations resulting from the policy, if there was any governing principles, which induced the enactment of the general banking law. There is now no check to the creation of these money mints; any body and every body, with or without character, has a right to enter the fair field of

competition. The amount of corporate bank capital has no limits, and for the wants of the country the currency will prove equally redundant. The whole wealth of the community, in money, ingenuity, contrivance, and chicanery, will soon be monopolized by these prolific paper-money creating concerns; every species of disguise will be resorted to; and some, not less contemptible than the miserable trick of that respectable institution, the Delaware and Hudson, of issuing notes payable on DEMAND, six months after date, "Demand" in conspicuous letters, the residue scarcely legible, a fraud without any more honest motive than the gratification of a successful imposition on the unwary. The times are not quite propitious for a full development of the dangerous fallacy of the present system; the new institutions have to move cautiously; public confidence must, for a time, be coquetted with; but when the buoyant day of prosperity shall arrive, obliterating the recollection of past troubles, the inflated bubble will burst, producing a re-action that will subvert the landmarks of "meum and tuum," civil and political liberty. Such are my deliberate anticipations; the present calm is but the precursor to a storm that will most certainly wreck the ship of state if preparations be not speedily made to take in sail, and change the bearings of her financial course.

It is not in the state of New York alone that the fascinating project of free banking is to be experimentally essayed; the speculative example has been infectious, and while the anomalous absurdity of unrestrained paper issues is preserved perfect, the modes of giving full effect to the scheme will be as varied as the capriciousness of legislative fancies shall dictate.

It seems never to have entered into the consideration of our fiscal statesmen, that since the general peace of 1815, the mass of population and property has immensely increased, while the amount of the precious metals has received from the mines no corresponding addition. If this be correct, of which there is no question, then must money become more valuable, whether we refer abstractly to specie, as such, or to what, based on it, is intended to be its representative; or, on the other hand, the alternative is mathematically certain, that the present prices of property cannot be maintained. Villages, towns, and cities, have not only been improved, but multitudes have sprung into existence; in whatever direction we turn our attention, whether towards Europe or in America, the scene presents a most gratifying state of prosperity; in private and public expenditure there appear to be no bounds, while gold and silver have not increased in the ratio of general improvement, but have been essentially absorbed in ministering to luxurious enjoyment. Is not this a true picture of the state of the world; and does it not present strong grounds for apprehension of a serious conflict between money and property, of which specie is the measure, and that the credit system is fast advancing to a plethora?

May it not be asked, whether there is not already a perceptible increased value in specie; or, what is equivalent, a general decreased confidence in credit? The price of the precious metals in Europe has materially advanced; by the last accounts they were becoming more immediately active in settling exchanges, and thus employed, curtailing their expanding uses as a basis of a paper circulation. According to the established practice of the Bank of England, and other well-regulated institutions, the amount of paper put in circulation is as three to one of specie; consequently, if specie be employed as the immediate medium of exchange, the curtailment of paper currency must be in the inverse ratio; and if to this should be added, under any alarm, a demand for specie for the purpose of hoarding, it must be apparent that confidence will be impaired, and the credit fabric exposed to danger.

Entertaining these views, I am induced to suggest a premonitory modification of our banking system, which, although radical, as it curtails the money creating powers of the banks, is nevertheless essentially established on the known and intelligent principles that have heretofore, in a different shape, proved so successful an auxiliary in the progress of our great national prosperity. The project I propose is, to preserve the good, and discard, as far as is compatible with prudence, a feebleness in our currency, which has, unfortunately, in some measure become identified with our established experience in fiscal economy. In my estimation, it would be absolutely impolitic, and equally pernicious, altogether to repudiate a paper currency, if such a measure were practicable; it is, notwithstanding, imperatively important that the public should resume the supervisory government of this subject. The superintendence of a power of such immense and vital consequence to the integrity, stability, and permanent interests of the public, as that of money-making, ought not, in the very nature of its operation, to be legislatively lodged in the exclusive hands of individuals. The value of no man's property, much less that of a community, should ever be placed at the capricious will of private cupidity and speculation. The ebbs and flows, the contractions and expansions of the currency, are inconsistent, if the result of fictitious move-

ments, with the principles of sound government; and if we are not already apprized of the causes which produce the sudden changes we experience, would it not be a primary and cardinal duty of legislation immediately to investigate the origin of the irregularity? As it is, all admit the error, but none dare venture on the remedy. To effect a permanent change, the private banks must be gradually shorn of their improvident and unconstitutional powers, before the public mind can settle down into any intelligent knowledge of its pecuniary responsibilities.

In order to effect this object, and, at the same time, preserve the harmony of our fiscal operations, the legislature ought to establish a state bank of issues, and simultaneously convert the private banking associations into simple banks of circulation, discount, and deposit.

In referring to the report of the secretary of the treasury of the United States, it will be found that there were in 1830 about 320 banks, with an aggregate capital of \$145,192,263, with a circulation of \$61,324,000; which, by January, 1837, were increased to 973 banks, with the immense capital of \$324,240,293, sustaining a paper circulation of \$185,782,506; to which the state of New York has, within one year, under the general banking system, prospectively added more than \$200,000,000 of capital.

If we compare our condition with that of Great Britain, the contrast will present a most extraordinary contradiction. The national debt of that great and powerful nation is eighteen times larger than the entire public indebtedness of this country. In referring to official statements, the amount of our public stocks, exclusive of the \$6,000,000 treasury notes of the federal government, are estimated at \$200,000,000; while the sum due by Great Britain is about \$3,600,000,000; and, on the other hand, her paper circulation does not exceed \$140,000,000,* while ours has been expanded to more than \$190,000,000. What must be the conclusion from this exhibition? Does it not exhibit an inconsistency-fatal to the permanency of our currency? The solution of the enigma resolves itself into the fact, that in proportion as we create bank capital, we expand an artificial currency without increasing the wealth or accommodation of the public.

When we remark that it has not been possible for the enlightened finance statesmen of Great Britain to guard against destructive panics, with their comparatively contracted currency, what reasonable hope can we entertain, in our disjointed arrangements, to resist the torrent whenever adverse exchanges shall create distrust? In the course of a very brief period, we shall have every cause to apprehend a most calamitous revulsion in our monetary affairs, a catastrophe in progress by the prospective rapid decline of our most valuable staple product, and will be realized when the large shipments of cotton made in anticipation of war prices shall bear on the European markets. The southern banks having been deeply engaged in monopolizing the cotton market, will first feel the reaction; when those of the north, governed by the natural reflective consequences, will have to encounter the raging fury of the storm, with about as much ballast as fits them to the bland influence of summer zephyrs.

In the event of a renewed embarrassment, it is to be hoped that the suicidal course pursued by the banks in the spring of 1837, may not be re-enacted. The commercial community will not again submit to be annihilated; there will be no discrimination between banks and merchants, the whole will be involved in a common chaos.

Was it not a most mistaken policy to adopt measures of shiftless expediency to guard a miserable pittance of \$1,250,000 of gold and silver, at the risk of destroying millions of responsible assets? If the banks had been governed by a liberal foresight, and a moderate degree of moral firmness, the commercial bankruptcies would have been very limited, while the suspension of specie payments would have come without the calamitous terrors which were anticipated. When the overthrow was inevitable, the extended relief became an ill-graced movement, evincing the folly and timidity of former counsel, and the entire loss of public confidence. The recollection of that eventful crisis ought to teach some wisdom to those who are immediately connected with the currency, and will, it is to be anticipated, give rise to a lucid examination of this most important subject.

It has often been the subject of surprise, that the Bank of England, with the limited circulation of that country, is unable to control the currency; but on examination, it will be found that every precautionary measure on the part of the bank is invariably counteracted by the increased expansion of the competitor institutions—the latter, confiding in the management of the bank for the successful termination of their reckless improvidence, eventually find a heavy requisition on the specie in their own vaults,

* By the average of the last quarter, the specie of the Bank of England was reduced to about £7,000,000; and in March it did not exceed £5,000,000.

when they are compelled to adopt an active and injurious curtailment. The same inherent disease is common to both countries; but, as with us there is less real money capital, the malady does not so soon create alarm,—the speculative genius of our people always looking forward to the bright sunshine of prosperity.

It requires but a moment's reflection, on such data, to anticipate the possibility of another explosion under the present system. It is to prevent this sad paralyzing consequence, the occurrence of which would deprive the United States of a credit system which has heretofore been so prolific in its results, that I am induced to propose a change. In the plan I refer to, a full currency will be preserved, which, being more permanent and undoubted, will give greater facility and security to business; it will be the olive branch of peace to conflicting opinions; the public mind will repose with confidence, and, knowing the true state of the currency, with a ready ability to comprehend the natural causes of occasional changes, every individual will see when to contract or enlarge his operations with intelligence. As we are now situated, no man can form any just calculation to govern his commercial operations for the future, from past or present experience.

If our political statesmen had expanded their views to the substantial cause of the suspension of specie payments when the banks were entirely within the power of legislative discretion, the patchwork policy which ensued would never have disgraced the legislative records, and the community might now be realizing the advantages of a sound currency.

If the extraordinary position of our financial affairs, having no comprehensible foundation for security, at all times insusceptible of estimate, and when an expansion is only known by its redundancy, with its baneful consequences, a general suspension of specie payment, or a contraction so sudden and violent as to paralyze, if not destroy, the best concerted arrangements, create no fearful alarms for the permanency of our republican liberties, we boast in vain of the conservative influence of public opinion. Is it not totally inconsistent with the vital spirit of free government that a privileged order, a mortified power, should be tolerated, clothed with and assuming the dangerous prerogative of coining money at pleasure, and with it, the illegitimate right and ability to exercise an arbitrary sway over its expansions and contractions? This is, nevertheless, the anomalous condition of the people of the United States; already are one thousand private banks, vested with the exclusive possession of the most influential, delicate, and important attribute of sovereignty, untrammelled and unrestrained, administering to the public wants and necessities, as may seem to them most expedient and profitable to their separate coffers.

The banking system of the United States has broken from its moorings; there ought to be no more confidence placed in its usefulness under the existing organization. A change must and inevitably will come, whether we are prepared or not to meet the consequences.

In my estimation, the recent resumption of specie payments was an entire fallacy; the country was indebted on an expanded and fictitious currency, and should have been allowed gradually to have settled its affairs on the same basis—and not, by a violent contraction, for the pride of appearance, grind the very substance from the indebted. The whole community has been leeches to sustain the claims of the few.

It is not my intention to insinuate the slightest disrespect to the gentlemen who conduct these institutions; on the contrary, I have no doubt they entertain the same convictions of the imperfections of the whole currency system; as they find the law, they are governed by it, but do not consider it prudent or expedient, in their peculiarly delicate position, to suggest or advise any change. While these views are introduced as the emanations of a speculative opinion, they create no apprehension, and will be rejected if impracticable and Utopian; but, on the other hand, whatever merit they may possess will gradually and usefully mine its way into the favorable consideration of reflecting statesmen.

In order more clearly and perfectly to explain the system I advocate, I will now present, by way of exemplification, a project of a bank of issues, adapted to the state of New York, to be known and distinguished as

THE BANK OF ISSUES OF THE STATE OF NEW YORK.

1. The capital of the state bank to be \$30,000,000, to be increased whenever deemed expedient by the legislature, at stated periods and under precautionary limitations; but not to be reduced below the original amount of capital. The state to subscribe one third of the capital, for which permanent securities are to be issued, and the residue to be made up from private banks, or individual subscriptions.
2. The state bank to be the fiscal agent of the government, and, in its financial business and operations to be restricted and confined to negotiations in exchange, loans

on stocks, and the exclusive employment of providing a sound and legitimate currency.

3. The state bank to be prohibited from discounting or purchasing promissory notes, and from receiving money on deposit, except specie for safe keeping or transmission; and in neither case, without some charge, that no interference should conflict with the legitimate business of well-regulated private banking.

4. The state bank to be invested with the exclusive power to issue bank notes or bills, payable on delivery, and drafts or certificates issued by other banks or individuals to be alone negotiable when payable to order, and at special periods, carrying interest: and all such drafts and certificates to be cancelled when due, and, if not discharged, the holder to be entitled to twelve per cent. interest from the time of presentation.

5. The state bank to have authority to issue notes and bills of any denomination, not less than one dollar, and those under five may include any fractional parts of a dollar; and in order to equalize the currency, its bills and notes are to be made payable in specie in the city of New York, as the chief place of business; except those of ten dollars and under, which, at the option of the holder, may be made redeemable at the principal branches.

6. The state bank to be located in the city of New York, with authority to establish branches or to employ agencies, as may be deemed most advisable; but under no circumstances shall it be compulsory on the bank to establish branches, except at Albany, Utica, Hudson, Troy, Rochester, Lockport, Owego, Buffalo, and Oswego.

7. The state bank, in order to circulate its bills and notes, will be authorized to purchase bills of exchange, to make loans on stocks, and to open credits to individuals and private banks, corporate and incorporate, at a charge of not less than three per cent. per annum, and in such amounts and with such security as may be deemed expedient.

8. The paper circulation of the state bank, payable on demand, to be limited to the amount of a moiety of its capital; and the bank at all times to have in the city of New York one dollar in specie for every five in circulation.

9. The state bank to be limited in its dividends, the surplus profits, after discharging all incidental expenses, to be held subject to legislative appropriation for the dissemination of useful knowledge, or the advancement of internal improvements.

10. The state bank to be required to make public monthly reports of its aggregate paper circulation, and public quarterly reports of bills and notes under ten, twenty, and fifty dollars, distinguishing the amount in each class.

11. The legislature to have and exercise a constant supervision over the affairs of the state bank, and annually, or oftener if it be deemed expedient, to make a full and complete investigation into its operations, either by a legislative committee, or commissioners specially appointed for the purpose; and biennially to direct a committee of the stockholders, in which the directors shall not be included, to make a thorough examination, and report the same to the legislature.

12. The state bank to be under the direction of fifteen private and five public directors, with a president and vice-president;—the president to be appointed by the governor, by and with the consent of the senate, from a list of five names to be presented to him by the board of directors, and selected from among the private directors; or to be chosen by the private directors from the public directors, who are to be appointed by joint ballot of the legislature; the vice-president to be appointed exclusively by the board of directors, without limitation. The duty of the president of the state bank shall be to superintend the general operations of the bank, and to advise and consult with the state treasurer on all fiscal subjects pertaining to the public interest. The duty of the vice-president to take charge of the details, and to attend to the ministerial transactions of the corporation.

It will be apparent that a bank, established on such principles, must, or can be made to afford a circulation of undoubted character; and if, from any irresistible causes, it should ever be compelled to refuse to redeem its notes in specie, its currency would still, for all purposes of domestic business, be as useful, in the interchanges and transfers of property, as the same amount of gold and silver. As the acknowledged currency of the state, predicated on its responsibility, independent in position, and entirely free from the entanglements of commercial excitements, there could be no supposable state of things, other than a political convulsion, that could impair public confidence in its solidity. The notes would be received by, and paid out of the public treasury; the quantum of issues always known to the community, and limited in amount. The whole subject is placed under the supervision of the government and an unbiassed committee of the stockholders, and so simple in construction, as to be within the understanding of every individual.

The mystery which now overshadows the circulation, and the sudden changes to which its imbecility renders it inherently liable, would immediately cease to exist;

the currency would be uniform throughout the state, and payments could be then made in correspondence with the true principles of commercial equality.

A bank, not subject to deposit drafts, and free from all rivalry, can sustain a larger circulation, on a less amount of specie, than can be steadily supported, on a wider basis, by a multitude of conflicting competitors. It is the apprehension of irresponsibility, generally the result of a want of information in the public, that gives rise to "runs" on banks, in order to convert paper into specie; which a bank, thus constituted, can never be liable to. In fact, no instance was ever known, where a general suspension of specie payment has taken place through the direct influence of the bill-holders only; and as the state bank is to take no deposits, it cannot be subjected to a drain from any other source than its notes in circulation; but, inasmuch as a demand for specie has a direct tendency to absorb a portion of the paper currency, its natural consequence, by the contraction, would be to enhance the value of the residue, and thus effectually to counteract any serious result.

The issues of the state bank are to be guaranteed by ten millions of state stock, one dollar in specie for every five in paper; with the balance of the capital invested in stock loans and regular business exchange. As an additional satisfaction to the public, the nature, amount, and character of the securities, are, at all times, subject to legislative inspection; while the direction is composed of intelligent gentlemen, representing the public and private interests; thus concentrating all the essential ingredients to unite and exhibit a state of responsibility beyond all possible cavil or jealousy.

This is based on the true federal principle, that the best security of our republican institutions is in the virtue and intelligence of the people; while no policy can be more fatal to the harmony of our political movements than the adoption of measures catering to public prejudices. In our fiscal concerns, we seem now to be governed by a contrary doctrine. If any attempt be made to lift the veil which shrouds their mysteries, the war-cry is, sacrifice the intruder; and yet, there is no subject so important to the general welfare as a correct understanding of the condition of the currency. With the nature of our government and the mode of legislation, we are all familiar; but of the operations of the money power we are essentially ignorant; or, perhaps, it might be more correctly stated that our information is superficial, extending only to the conclusion that there is a labyrinth too intricate for the wisest to penetrate with success. The subject of currency has either become too refined, or too much of a humbug, to admit of elucidation.

The legitimate patronage of a republican government is to diffuse knowledge as widely as possible, and then, with well-established revenue laws, the commercial world want no other protection. Has our legislation been governed by these wise principles in reference to our currency? Is not the whole subject a perfect chaos; and can any person, not excepting the official dignitaries of the banks, give any estimate, from day to day, of its probable variations? Situated as we now are, apprehension and alarm are constantly agitating the money market; the slightest demand for specie immediately creates dismay and embarrassment. There are too many contriving heads employed in regulating the exchanges, and very few who look beyond the walls of their own institutions for motives of action.

I submit to the most intelligent of our merchants, the inquiry, whether any of them are governed, in their operations, with any dependence on the consistency of the conduct of the banks. The fluctuations in the circulation are not periodical; they are at constant variance with the natural movements of commerce, they tend to bias, rather than to aid, its developments, and vary without any apparent cause. The conclusion seems irresistible, from such an uncertain state, that we must either resort to an exclusive metallic currency, or adopt some substitute better adapted to the exigencies of the times, leaving mercantile credit to regulate itself.

If such a bank of issues as has been proposed were established, would it not afford a substitute less liable to causeless changes than that currency which is dependent upon innumerable caprices? There would be then no deleterious influences in the money market, no inconsistent contraction when trade and commerce require an expanded currency. The trade of the interior with the commercial depots would be carried on by bills of exchange, instead of country bank notes. The corporate bank associations would assume their legitimate character of private bankers, and, confined to the negotiation of real exchange, would, in co-operation with the state bank of issues, soon restore credit to its legitimate limits. That such a change is necessary, no man, conversant with the fictitious construction of our credit fabric, can doubt; for to him it must be apparent that a very large portion of our indebtedness arises from the creation of most of our corporate capital, to establish a vicious circulation on the credulity of the public; while the real, substantial, bona-fide wealth of the country stands appalled at the inflated credit, and becomes useless to the public.

A farther recommendation to legislative action in favor of a responsible bank of issues, would be the inevitable tendency to defeat any successful attempts at forgery. In a currency familiar to the public, it would be much more difficult to circulate a spurious emission, than when the issues are of innumerable and unknown institutions. A degree of skill in the community to detect impositions would almost intuitively assume the place of ignorance. The genuine characteristics of bills and notes would be so well known, from constant observation, that every individual, and especially those most subject to deception, would be protected.

The records of our courts of justice would essentially cease to be blackened with the crime of forgery, and its attendant consequences of deeper villany. While I appeal to the intelligence of our enlightened judiciary to sustain this position, could it not be wished that the force of their experience might be enlisted in attracting public attention to this important subject?

It is impossible to estimate the cost to the industry of the community, occasioned by the facilities afforded by the present extensive system of forgery. There is scarcely a day passes without some new caution or notice to the public; and permit me to ask, on whom does the loss most seriously fall? If for no other cause, this calamity is almost sufficient to create an insuperable prejudice to a paper currency; and does it not therefore become the duty of those who believe in the system, to endeavor to introduce some more simple medium, less liable to be counterfeited?

With reference to the administration of the state bank:—

In our experienced community it would seem superfluous to explain the important advantages incident to a direction composed of the delegates of the political interest, and those who represent the immediate intelligence, wants, and necessities of the people, abstractly. The influence of the first protects the public object in creating the bank; while that of the latter gives an influence and judicious vitality, essential to the prosperity of a commercial community. As merely a public institution, acting under the sole administration of public officers, it would be deficient in intelligence, vigor, and promptitude; thus operating without the stimulus of direct profitable remuneration; the direction would be remiss, arrogant, and soon become wedded to crude notions of financial policy.

As the government agent, to collect, keep, and transmit the public revenue, can there be any question that such a bank would be most fitted for the employment? It would not only be a responsible depository, but fully competent to perform the duty assigned it; and might eventually supersede the necessity, expense, and inexperience of a canal fund commission.

In reference to the limitation of the business of the state bank to special objects:—

Independent of the motive for guarding the bank of issues from participating in the business of discounting promissory notes, as tending to embarrass its supervisory control over the currency, is the fiscal propriety of preserving the legitimate business of private bankers in their fullest usefulness, that they may the more effectually contribute to the accommodation of trade and commerce. It is the avowed experience of the Bank of England, and pre-eminently known to the intelligent merchants of this country, that the commercial world is much more liberally and efficiently aided and assisted by private bankers of real capital, than public institutions of any description can possibly afford. The same object has also governed my views in wishing to exclude private deposits from the bank of issues, as tending more effectually to keep the money of the country in constant active circulation. The deposits now lying idle and useless in our corporate banks are enormous, and will continue to be so while the banks are engaged in tampering with the currency, to the great injury of the public, and do not allow interest on balances. Is it not also true, that when our banks shall be confined to discounts and deposits, much of the expense attendant on their present operations would be reduced, and ultimately cheapen the price of loans?

The competency of the bank of issues to supply an adequate amount of currency with security:—

Among those conversant with the essential ingredients of a paper medium, it is an admitted truth, that a single bank, with respectable capital, can expand the circulation with a less metallic basis than when the employment devolves on several; consequently, with this admission, there can be no doubt, that an institution can be so organized as to respond to the necessities of any reasonable contingency.

In the existing system there is no prospective knowledge; the responsibility of guarding against difficulty is the peculiar duty of none, and even when suspected to be on the approach, it is esteemed invidious to anticipate the necessity of making preparation to meet the event. To this want of a premonitory understanding, the consequence invariably has been, and ever will be, that the banks, anxious for their own security, essentially contribute to increase embarrassment when they ought legitimately to afford re-

lief. There is this peculiar and paramount advantage possessed by a bank, essentially established as a bank of issues, that, being restricted from engaging in any commercial entanglements beyond its necessities, in regulating the state currency by the negotiation of exchange, it must always be prepared to meet the exigencies of the money market, and will not be compelled to contract its circulation in periods of commercial distress. A bank thus organized cannot be hastily required to withdraw its accommodation from the public; and even when the necessity for a contraction does occur, its policy, as well as its duty, will be to commence the curtailment by recalling its stock loans, or disposing of its stock investments. But should a still farther retrenchment be deemed imperative, the ultimate recourse is, gradually to influence the negotiations of private bankers, by raising to them the rate of interest for the use of its currency.

A farther, and not an unimportant consideration, as a guarantee for the security of such a public bank, will be the general interest that must naturally exist in every well-regulated community, to protect the solidity of an institution so absolutely essential to the prosperity and welfare of the whole.

When private banking associations are relieved of the burthen which, by no means, ought to be imposed on and assumed by them, their prosperity or misfortune has no general or immediate bearing on the public; but, like other commercial establishments, their influences are confined to their respective limited spheres. It is at this independency, I anticipate, as a maxim of fiscal excellence in our monetary affairs, that we must, sooner or later, arrive; but whether this is to be the result of convulsion, or sound legislative counsel, may be well worthy the considerate attention of those with whom our dearest rights and interests have been intrusted. The experiment we have now on hand, I respectfully predict, will speedily prove an entire failure; and consequently the earlier this subject is dispassionately examined, the more easily can the necessary remedy be applied.

In reference to the propriety of giving a full exposure of the affairs of the bank:—

On this subject there has been much discussion. It has been questioned whether frequent publicity of the condition of banks might not have a tendency to weaken their stability, by subjecting them to suspicion from erroneous estimates, and thus exposing them to invidious attacks; but if this be true, as referring to the compound character and condition of banks, being purveyors of the currency on which their discounts are predicated, it cannot apply to an institution established solely to give a currency on an intelligent and responsible foundation.

Of such a bank of issues, the better its principles and means are known, the more sure and perfect will be the public confidence in its stability, and consequently, proportionably greater permanency will be given to the national prosperity.

In this country we only want information; and that system which proposes the easiest way of acquiring it, will be sure to command the greatest respect. Can any man estimate what is the present amount of paper circulation in this state, or either of the others? The commissioners' reports afford but a very slender data on which to predicate a satisfactory calculation, and the occasional treasury reports are even less conclusive. When these official examinations are about to take place, temporary preparations are always made for the scrutiny; and as soon as it is over, the original condition is immediately resumed. Was not this position fully exemplified by the bank commissioners' report, previous to the suspension of specie payments in 1837, when every thing was triumphantly proclaimed to be in a state of perfect soundness? If you take from the private banks the power to issue paper as money, you will require no inquisitorial commissioners, interfering with private negotiations.

That the issue of paper is not essential to the prosperity of our private banks, we have the experience of those in the city of New York, whose circulation scarcely exceeds their specie; and yet they make from four to six per cent. semi-annual dividends, and our trust companies even greater. I do not, however, pretend to say that such dividends could be realized if the currency were established on a sound basis; I am rather inclined to the opinion that the fluctuations afford the occasion, and improve the opportunity, for profitable speculation. There seems to be some secret alchemy in the present contrivance to render bank operations so peculiarly productive; buying and selling stocks, perhaps—in other terms, stock gambling.

The next subject for explanation is the limitation of the dividends on the capital of the private stockholders in the bank of issues.

It is very evident, that an association possessing the exclusive right to furnish a circulating medium, must be a monopoly; and being created by an act of legislation, common justice would require that any surplus, beyond a fair compensation for the use of private capital, should enure to the benefit of the public revenue. Whoever

becomes a stockholder, by subscription or purchase, does it voluntarily, and has no cause for complaint; but independent of this consideration, the limitation is intended to operate as a check to speculative movements by the direction of the bank, inasmuch as it destroys any sinister inducement for misconduct.

It is in this limitation, as in the direct representation of the government, that the public converts this body into an agency, to administer with the greatest fidelity and wisdom the most delicate and imposing attribute of sovereignty—the money-making power. In peace and in war, in commercial prosperity or distress, the currency of such a bank would remain the same. As such a power could be most potent in advancing the general interests, it would, if abused, prove most despotic. It would therefore be unsafe and impolitic to be entrusted entirely in the keeping of government managers, and can only be judiciously deposited where the jealousy and keen-sightedness of private interests will have a proper influence. The public will have in the capital invested a guaranty for the faithful discharge of the trust, while the private stockholders will have a perfect security through the preponderating control of their immediate representatives.

The propriety of locating the bank of issues in the city of New York can admit of no reasonable opposition.

In the commercial emporium of the state, the wants of the money market will be best understood. There the exchanges, domestic and foreign, are concentrated; and to and from which almost every financial negotiation ultimately tends. As these are paramount influences, they cannot fail to be conclusive to every intelligent mind.

It now remains to be shown in what manner the notes of the bank of issues are to be substituted for the present anomalous currency.

The *modus operandi* by which this bank of issues is to go into operation, will, I imagine, be much less difficult than is experienced by ordinary associations. The subscription to the capital stock being complete, and payments having been made in specie or the paper in circulation, the state bank would stand in a corresponding situation with all others. The bank would then organize its direction, and prepare its notes or bills for public use; the next movement would be, either to require a gradual specie redemption of the private bank notes, or, as an accommodation to those institutions, it might issue to them its own notes, charging a moderate interest for the loan. In some instances the private banks would recal their circulation and pay specie, preferring to contract their business to the legitimate operations of real capital; but others, less independent, would adopt the alternative, and pay for the use of their own credit. In either case the facilities of the state bank would be increased.

The legislature of New York having reserved the right to repeal, alter, or modify all the safety fund bank charters, it will be easy to cause their notes to be withdrawn; and, if it were constitutional to prohibit the circulation of notes of all banks under the denomination of five dollars, with equal propriety the restriction might be extended to those of a higher value. The powers of the legislature need not be confined to the provisions heretofore employed to compel the withdrawal of the notes under five dollars; there could be other enactments still more efficient; the courts of justice might be closed against those banks whose notes were voluntarily continued in circulation after a reasonable notice.

The state could refuse to receive payment of dues, or discharge the claims on the treasury, in any other currency than in specie, or the notes of the state bank; the discredit thus thrown on every other currency, and the direct credit given to the state bank, would produce a paramount preference for its issues. In farther aid of the circulation of the state bank paper, the branch agencies would be employed in the purchase of exchange, and, by agreement, paying for the same in its notes. An important auxiliary for the extension of its emissions would be found in making loans on, or investments in, productive stocks.

If it should be objected that the operation of the system now proposed would curtail the profits of chartered institutions, the appropriate reply is, that public policy requires a change. The duty of the legislature is to protect the community, even at the sacrifice of private interests. This is the constitutional foundation of our revenue and license enactment; but, in the present case, the representatives of the people only transfer an exclusive privilege, temporarily conferred on favored individuals, to a public institution, intended to promote the general welfare. As our currency now stands, an enormous contribution is constantly levied on the many for the benefit of the few, while such facilities are given to successful forgery as to render the banks almost accessory to crime.

If corresponding banks should be established in the other states, they would afford a complete basis for the successful employment of a national bank, similarly restricted and organized.

While there is no country on the face of the globe that presents such promising prospects as the United States, whether we refer to the character of the population, or the natural advantages of soil, location, and climate; yet, notwithstanding these claims to superiority, our onward course is cramped and embarrassed through the influence of an improvident, unconstitutional, and imbecile currency.

MERCANTILE LAW.

ART. VII.—THE LEGAL PROTECTION OF GOOD FAITH.*

In a community of merchants, good faith hardly admits of eulogy. In the operations of a rich and rapid commerce, great confidence must be often reposed in others, without the minute caution necessary to a perfect protection against fraud or unfairness. Commerce, in the walks of her grandeur; is unwilling to linger at every stopping-place, to turn from every small obstacle, and to distrust every one whom she meets. She fears that were she obliged so to do, one half of her vigor would be lost, and all glory stripped from her; that enterprise, her best attendant, would be fettered; that her long-sighted sagacity would be necessarily exchanged for minute vision; and instead of planning expeditions to bring home the riches of distant countries, commerce fears lest she should be confined to petty schemes of traffic, or debased by the arts which deceit begets of suspicion.

It is from absolute necessity rather than from considerations of utility merely, that a commercial society makes *good faith* a cardinal virtue; indeed, it goes farther, it considers it so indispensable as to treat it as a military people do courage, deeming its want the deepest disgrace, while its possession is but an ordinary merit.

But the moral virtues comprised in our idea of good faith do no less elevate it in our estimation. It imports all that is sacred in truth, all that is severe and self-denying in integrity, all that is estimable in social communion. To be just, true, and unsuspecting of evil in our own purposes, and to be frank, unreserved, and faithful in our communications with others, form a combination of things which are truly "honest, lovely, and of good report," and which receive divine commendation.

It becomes an interesting inquiry, then, to consider how far this excellent commercial virtue, and this great moral quality, forms a ground of legal protection. And this inquiry is the more interesting, because, in actual life, it chiefly arises in cases of misfortune and loss. If no difficulty occurs, if bargains turn out favorably, neither party needs to agitate the questions arising out of good or bad faith in the making of them. But if we buy something, and find ourselves losing by a defect of title or by a vice of quality, our first reflections are as to the good or bad faith of the transaction out of which the loss arose. We appeal to our own good faith in the matter as that which ought to have insured us protection, and which should entitle us to indemnity or redress; we appeal to the good faith of those with whom we have dealt, not to subject us, acting in fairness and without blame, to a loss; we appeal to others for their sympathy in our misfortune, holding up our good faith as the signal for their attention; we appeal to them for indignation against that want of good faith to which our misfortune may have been owing. And although

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upon wise principle it is better to suffer without fault than with it, yet we feel that it is an aggravation of misfortune, that good faith on our part has not been a protection.

Good faith undoubtedly deserves protection. Whether the law gives it or not, it has it, in the sympathy, in the instinctive indignation, in the continued contempt, which on one part or the other are excited by a violation of it. But how far it ought to form a protection in the law, and, in its administration, to affect the condition of men, are not so obvious. A protection of good faith on one part might expose it on another; it might contravene those rules of society which have great principles of public policy in view, and which operate a large benefit in passing by a small evil. To protect good faith in every instance, might put to sleep that needful vigilance which is requisite to sustain society in intrinsic activity; to allow good faith to be at all times a protection, would burden the administration of justice with inquiries into secret motives and purposes; which, except when impracticable, would be exceedingly embarrassing.

Our present purpose is to carry forward the inquiry, how far good faith does form a ground of legal claim or legal defence; and while our object is to present merely common and elementary truths belonging to the commercial law, it is not doubted that this course will be more acceptable, because more useful, than any attempt at profound research or ingenious discussion; and our subject possesses, besides its usefulness, the opportunity of bringing together a great variety of topics of daily application.

What do we mean by good faith? By it we first imply, in ourselves, a perfect honesty of purpose, without suspicion of any thing wrong or defective in what we are transacting. By it we also imply, in our communications with others, both by our words and conduct, such truth and fairness to them, as that they are warranted in trusting and acting upon them. In law, it also requires, in our putting trust in others, a reasonable, not an excessive diligence, in taking notice of things unusual or likely to excite inquiry in an ordinary good understanding; and implies, finally, not merely a belief, but an acting in reliance upon the state of things as we believe it.

Let us examine, as a prominent illustration, the contract of sale, and consider how it is affected by good faith. This is the elementary contract of commerce, its common daily food. In relation to it, the first consideration is the right of the seller to the thing sold; if he has no right to sell, one cannot, except by a deference of the law to our good faith in buying, acquire a right by purchasing. How far, then, does the law pay this deference? Suppose, then, a purchaser to deal with another in possession of merchandise with every apparent indication of ownership, the goods wholly under the control of the seller, without the slightest ground of suspicion of his just right to dispose of them; suppose the buyer, upon this, to pay the full price and just value, and to part with his money only upon receiving the thing sold; the question is asked, whether the buyer is protected in his enjoyment of the property, if it shall turn out that those goods did not belong to the seller, and that he had no right to dispose of them. The law answers, that the buyer is not protected. If the true owner appears, the buyer must unconditionally deliver up the thing to him, without any obligation on the latter to refund the price to the purchaser. It proceeds even farther: if the buyer have sold again, the true owner may, at his choice, pursue any of those who have sold the goods, and through whose hands they have passed, or may reclaim the things themselves. And the only redress which the law affords is, that it implies in every seller a warranty of his own title,

and that he has a good right to sell. It leaves the buyer to his personal redress against the seller for indemnity and remuneration, but it takes from him the goods. The good faith, vigilance, caution, and fairness, with which the buyer made the purchase, are of no other avail.

This undoubtedly will appear a hardship, and to those who are unapprized of the rule, it is without apparent mitigation. And yet it was not a rule established without reason, nor is it without beneficial attendants. It may be a hardship for the buyer to lose the thing purchased, but would it be no hardship to the one whose goods have been wrongfully obtained from him and sold, to lose them? Is not the hardship equal? and if so, then the obvious maxim of common sense comes in to say, that he who has not property cannot dispose of it, and that in the equality of hardship, the prior right of the losing owner shall prevail over the derivative, less ancient, and less perfect right of the purchaser. Nor would it do to enter into the question, whether the losing owner had been guilty of more negligence than the unfortunate buyer. Inquiries of this kind would be interminable, and also would depend upon considerations too vague for practical application. One man may have been naturally, or, by early education, more cautious than the other, and it would not be natural equity to apply the same rule of diligence to both. The circumstances, too, under which the goods may have been obtained from the true owner may be unsusceptible of proof by third persons. Besides, it rests on this policy of the law: In relation to transfers of personal property, which are so frequent and constant, the property itself so constantly changing place, and giving every facility for concealment, if a *bona-fide* purchase should protect him in the purchase, the one who wrongfully obtained the property would be less frequently detected, and his conduct less vigilantly watched, than if, as a general rule, the ownership of the property should not be changed by any purchase, however fair, from one not having the right. This rule compels every purchaser to know something of his seller; for it apprizes the buyer that the security of the purchase must depend upon the seller's being a man not likely to sell what he does not own, or able to answer if the contrary should turn out to be the case. It is a rule which gives the preference always to an honest man and man of character as a seller. It tends to make honesty and good character profitable. And it is no unusual principle of the common law thus to bind men by their interest to see to the honesty and good conduct of their neighbors. It was this principle of making men, who might know each other, responsible for the undetected dishonesty of each other, which gave to the government of the great Alfred the praise, that a purse of gold might be hung upon a tree in the forest, and found again untouched.

And while the truth we speak of has some effect to expose rapid trade to disasters, yet it is more than probable that the caution which its continuance introduces prevents many attempts at the fraudulent obtaining of property, and, in its final operation, adds to the security of commerce.

In this case it will be noticed, that the law implies a warranty against the seller, and, whether he knew of the defect of title or not, exposes him to the claim of the buyer for indemnity.

In like manner, if the sale, instead of being that of a package of merchandise, were a bond or debt, (other than a negotiable security,) and the same were originally invalid, or subject to deduction in favor of the debtor, the buyer takes the bond or debt sold to him, subject to all ob-

jections which can be made against it; and that, whatever be the price he may have paid, or the good faith with which he may have acted. The most frequent securities of this kind which are the subject of sale, are mortgages securing bonds for the payment of money. These, from their appearance and general character, and the legal formalities with which they are attended, are not unfrequently received without suspicion as subjects of satisfactory sale. But there can be in law no protection to a purchaser of a bond or mortgage merely on the ground of his good faith; if there be any intrinsic original defect in the bond or mortgage, if it were originally usurious, or its execution had been fraudulently procured, or if it be subject to offset or payment not expressed on the face of the papers, and unknown to the purchaser, still the purchaser runs the risk of being to such extent a loser. So far has this been carried, that where a guardian had invested the money of his ward in a bond taken in his own name, and afterwards assigned the bond to a purchaser knowing nothing of any such difficulty, and advancing the full value for it, such purchaser was obliged to give up the bond to the ward on his coming of age; because in law there can be no protection to the purchaser of a bond merely from his good faith. In relation to bonds and debts sold, the law assumes them not to be a necessary part of the traffic of society; transfers of property of this kind are permitted rather than favored; and it is always in the power of the purchaser to ask the debtor himself, as well as the seller, if there be any obstacle to the payment or transfer; this, if answered in the negative, will operate as a protection against the debtor; and as to protection against the acts of the seller himself, the purchaser of a security must know his man. The relation of debtor and creditor once contracted, the law does not favor its shifting; the power which a debtor may feel safe in yielding to a creditor of his own selection, may be very differently exercised by a man of different mould, and the transfer therefore is not favored.

But where the sale is of a negotiable security, such as a promissory note or bill of exchange, payable to order or bearer, there a purchase in good faith is an absolute legal protection. It is no matter how the bill or note originated, nor what just deductions ought to have been allowed by the parties through whom the purchaser derives his right; his right is perfect upon his being a *bona-fide* purchaser.

It may well be asked, whence is this difference, that the buyer of a ship, however cautious and prudent, buying in ever so much good faith, parting with his money only on the receiving of the ship, shall find his good faith no protection; that the buyer of a bond or mortgage shall stand in equally unfortunate predicament, while the buyer of a note or bill of exchange shall find his good faith a very *Ægis*, a perfect protection? This difference is owing to the policy of the law in regard to the circulation of commercial paper; it is an indulgence to commerce; it is a long-established and old compliment to the utility of a credit system. It was deemed that the circulation of these negotiable securities, by means of which payments were made without the carrying of money, was of so great benefit to commerce, rendering the making of loans and payments between the most distant places so easy, safe, and certain, in time, that the common law, rightly deemed the perfection of reason, placed their circulation on grounds of security not otherwise afforded; and, honoring mercantile good faith, made the possession of that of itself a sufficient protection.

But while the law is in this instance indulgent to these negotiations, it requires all the circumstances to exist which constitute legal good faith.

It requires, first, legal diligence: for, if the buyer had notice or well-grounded suspicion that the negotiable paper was for any reason tainted, the law withheld the protection accorded to a *bona-fide* purchaser; and particularly it holds the fact of the paper being past due as in itself giving a notice which ought to subject the purchaser to the obligation of inquiry, and to the danger of taking it, at his peril.

It also requires, that the purchase shall have been made in the usual course of trade; any unusual circumstance, which, in a mind of ordinary vigilance, would excite suspicion, exposes the purchaser to lose his claim to the protection of his good faith.

It also requires that he shall have shown his good faith by his works; by actually parting with property on the faith of receiving the paper. For, if negotiable securities are taken merely on account of an antecedent debt, or as a collateral security for such debt, the receiver does not become a *bona-fide* purchaser; he is not chargeable certainly with the want of good faith; but so, on the other hand, he has not exercised any faith whatever in the transaction. He parts with nothing on the faith of it, and his claim being to exclude other parties from some defence otherwise just, he is not allowed to do so unless his own condition have been substantially altered by a reliance on the paper. Besides, the indulgence of the law in favor of negotiable paper is in consideration of its circulation as currency; which office it is not deemed to discharge, when it is merely as collateral security, or taken on account of an antecedent debt.

Nor is good faith in a purchaser any more a protection in a purchase of lands than of goods. In relation to lands, inasmuch as they so connect themselves with the associations of life, with the early recollections of youth, and the distant expectations of middle age, and give to society all that fixes men to particular parts of the earth, property in lands has been the subject of more than ordinary protection. They can only be conveyed by deed, by will, or by inheritance; by legally drawn instruments in writing, requiring the formalities of a seal to intimate to the parties that something was transacting of more than ordinary consequence, and thereby to awaken their attention, and also requiring the presence of witnesses; or, by death and a descent to a man's relatives, events of such publicity as to attract notice, and not exposed to fraud; the law, therefore, requires of a purchaser unusual vigilance: he must be cautious; not only is his good faith no protection, but, unlike the case of goods and merchandise, no warranty of title is implied in his favor; he must protect himself either by his vigilance, or by formal covenants from a responsible seller, expressing the extent of that protection; if he does not, and any defect of title ensues, he is remediless—he cannot even recover back the price. Yet, with all diligence in a purchaser, he may be the victim of a bad title, and that with entire good faith, both on his part and that of the seller to him. The deeds through which the title has passed may have been forged, or their execution procured by fraud or violence; the wills which may have transferred the property may have been false, or the testator incompetent, from sickness or imbecility, to dispose of his estate; the parties to deeds or wills may have been under the age of twenty-one years. Numerous other unseen defects may exist, which human vigilance can scarcely detect; and yet, in all these cases, mere good faith is no protection. The party seeking protection must find it in the guaranties he can have in personal responsibility; and these, ordinarily speaking, never extend beyond the price paid. So that, if land have risen in value, either from a general increase in the price of lands, or by reason

of erections by the purchaser upon it, the increase of value becomes wholly a loss. Not only will good faith in the purchase be no adequate protection, but subsequent improvements and expenditures in good faith add nothing to the security, although their amount adds to the loss. This rigidity of the law in relation to lands grows out of its jealousy in protecting that which out of pre-eminence it designates as *real* property. It requires every man in relation to this to act wholly at his peril; it forces him not only to the use of all care and caution, but also to look specially and exclusively to him with whom he deals. Formerly in this country, and even now in the greater part of England, titles to land might be defeated by deeds of prior date, not required by law or practice to be registered, and as to the existence of which the purchaser could only rely on the good faith of the seller, and the binding of his personal responsibility. But in the greater part of this country, from its earliest settlement, purchasers in good faith were protected from this danger by requiring the deed to be registered for public inspection; and, in default of such registry, the purchaser in good faith would hold the title, notwithstanding the prior right under an unregistered deed. This protection, however, requires that the purchaser shall have had no notice of the other deed; that he should have used the diligence of seeing if the land was in the occupation of any one, and whether he was a tenant of the purchaser whose deed was not registered; that he should have actually paid money on receiving the conveyance. Merely receiving a deed for an antecedent debt does not allow one to be a *bona-fide* purchaser, as against an unregistered deed or mortgage; the man is supposed, in such case, not to have changed his condition by his faith in his deed, and so is not protected on the score of his good faith.

There is one other instance where good faith is a protection to a purchaser of lands: this is, where there is no defect in the validity of the various acts under which the title is derived; but where the ostensible title under valid conveyances or descents is in one, and he holds it for another on some private trust or understanding consistent with the ostensible ownership, there the equity of the law makes a man's good faith a protection. This, it will be seen, is different from the sale of a bond and mortgage or debt, where the rule is the reverse. The reason of the difference is probably this, that the conveyance and transfer of land is deemed a matter of public necessity and utility, while the transfer of debts (not negotiable) is not so; the one is deemed to be entitled to protection as a part of the intercourse of life; the other, as an unnecessary traffic, is looked on with less favor.

Another species of property has come into existence in modern days, different from merchandise, bonds, and negotiable notes or securities, and somewhat like each. I allude to stocks. These are either certificates of public debt, money owing by the state, or are shares in the capital stock of banking or other corporations. Like merchandise, their sale is protected and encouraged; like bonds, they merely represent money owing by others or in the hands of others, and require a formal instrument of transfer; and like negotiable securities, when transferred, the purchaser becomes a perfect owner. As to the protection which good faith gives to a purchaser, the rule would seem to be, as to certificates of public debt, that the transfer is protected when made in good faith, without circumstances of suspicion, and upon present consideration; because the policy of the law favors the circulation of this kind of property, in order to render public loans more easy to be obtained. As to shares in corporate

companies, as they have the right to require transfers to be registered, and to insist that they should otherwise be invalid, the purchaser in good faith may always protect himself by insisting on an acknowledgment of the transfer by the corporate body, which acknowledgment, obtained without fraud, is binding on it; the purchaser thus becomes protected by the corporate act, and the corporate body is protected by its right of making all other transfers than those which are registered invalid. As to these stocks, then, the rule would seem to be, that a registered transfer will protect a purchase made in good faith for present consideration.

It will be seen from the preceding remarks, how little protection exists in relation to the contract of sale from the mere good faith of the party; that the policy of the law interferes and, in almost every instance, sacrifices an innocent man for the great purposes of its public policy; that the many are taken care of at the ruin, it may be, of the few; and that the upholding of politic institutions is treated by the law as of more consequence than the avoiding of individual hardship.

The contract of sale, however, of which we have already said so much, contains another very wide field for illustrating the legal effects of good faith. Not only may there be defects of title, but of quality and of quantity, equally capable of being unknown to the buyer, and unnoticed by him. What protection does good faith enjoy as to faults in quality?

Where an object capable of examination is exposed to sale, a full price given, and the buyer, either through ignorance or inadvertence, is deceived in the quality of the article, he has no redress. So far was this principle formerly carried, that where a certain kind of wood was sold as a rich dye stuff, and was so expressed to be in the bill of parcels, and it turned out to be an article wholly different and inferior, and a full price was paid, yet it was held, that in the absence of any fraud in the seller, the buyer was remediless; that the seller having praised the article, having represented it as that for which he sold it, (being himself ignorant as to its quality,) did not give the buyer any right of redress; that having the opportunity to examine, he must do so at his peril; and that if he attempted to deal in a traffic of which he was ignorant, he should purchase his knowledge by his misfortune; and it was deemed mischievous to allow every word of praise, which a seller very naturally, though not always truly, may have employed, to be the ground of a lawsuit as a warranty of the quality of the article. And the rule was most pointedly laid down, that unless the seller used artifice to conceal defects which he knew, or the buyer took the precaution of asking a warranty, the latter could have no redress, however innocent and in whatever good faith he might have been. This rule has a most prominent application in the purchase and sale of horses; in relation to which, the want of experience of one party, and the full experience and adroitness of the other, render a knowledge of the rule of much necessity.

Nevertheless, the rule, that the buyer must buy at his peril as to quality, has ever been deemed somewhat harsh. There is a natural equity, that one who pays a fair price should have a fair article, and that the owner of a thing of small value should not, by a sale to another, however careless or ignorant, be made a gainer by that mere ignorance or want of care; and although the policy of the law has stoutly upheld it, yet it has been greatly undermined and weakened by the distinctions which learned judges and unlearned jurors have united in drawing.

The rule is now held not to apply where an article is sold without

being capable of examination, as in case of merchandise sold before its arrival at the place of sale; it is there held that a warranty is implied, that the article shall be a merchantable article of its kind, that is, that it fairly corresponds with its name, and is of reasonably good quality. Certainly one reason of the rule above alluded to does not exist here; the buyer could not see the article, but he could forbear the purchase until it was capable of examination, and he could protect himself by stipulations as to the quality. Still the old rule, in this instance, has yielded to the natural equity of the thing, and to the modern disposition to increase the rapidity of trade, at almost every expense of rules of policy.

It used also to be held, that no words of mere recommendation of quality should be held as a stipulation to the purchaser, who did not choose to have a distinct warranty; but in this too the law is yielding to a similar impulse; and it is now held, that where a buyer in good faith acts upon the recommendation, and without taking pains to examine, and that, in the knowledge of the seller, or with a direct reliance on the recommendation, the courts allow juries to imply a warranty of quality; this modification of the rule, while it would seem to be an encouragement to truth and fairness, yet is an exceedingly loose one, calculated to protect the mere supineness of purchasers, to expose the seller to controversy from the mere habit which every man has of praising what he owns, and to render it difficult to decide, until a jury shall have done it, whether a seller's conduct has amounted to a warranty or not; exposing every contract of sale under such circumstances to be the ground of a legal controversy.

Analogous to the warranty of quality, is the obligation of one who passes away negotiable paper which is invalid. In the case of every such sale, it is implied that the signatures are genuine; if they are not, the seller is bound to restore the price, or to make good the amount expressed to be payable by the paper. This rule is founded upon several very palpable considerations. It could not be expected of every man to know the genuineness of the signatures of strangers, whose wealth and standing might be well known from general reputation; while at the same time the circulation of such securities is deemed of so much general benefit, as to exempt the buyer from the delay of asking every party if his name were not forged. It also was the mutual supposition of the contracting parties, that the paper was not forged; certainly the buyer did not buy under such a supposition; if the seller did not sell under such supposition, then, the contract being made under mutual mistake as to the subject, no agreement has existed, and each must be restored to what he gave to the other; if the seller sold, himself doubting if the paper were not forged, then he was guilty of a fraud, and much more is he bound to make restitution.

In like manner, where a payment is made in negotiable securities, the parties to which have become bankrupt or failed without its being known to either, here also is presented the case of mutual mistake, or of mistake on one side and fraud on the other, and a just obligation of restitution. All these are rules founded upon the mere good faith of trade, and are equally supported by justice and policy.

But where one party, from his relation to the negotiable paper, is bound to know a signature, the dealing with the security then is at his risk. Thus, where the acceptor of a bill does not detect a forgery of the drawer's name, but accepts or pays the bill, he must bear the loss himself. He ought to know his correspondent's signature. In like manner, where a bank pays a check with the drawer's name forged, it must bear the loss. Because in

each of these cases, the parties thus paying are presumed to know, and are in duty bound to know, the hand-writing of those dealing with them; and if they permit themselves to give credit to a forged name, they are not in good faith entitled to claim from another the loss sustained by a neglect of which they were guilty and he was not.

But in the very frequent case at present of bank checks payable not to bearer but to order, and requiring endorsement, it would not seem just that a forgery of the endorsement should be at the risk of the bank. The bank is not supposed to be in immediate correspondence with the endorser, as it is with the drawer. It has no better means of knowing than he who presents the check for payment; the very presenting of a check with such endorsement is an avowal of its genuineness. And, although the bank cannot claim payment of the check from the drawer, on whose money it was drawn, since it has not been paid to the one he directed, it would seem correct upon principle that he who received the money upon a forged endorsement should restore it. Good faith evidently so requires, and no principle of policy can be seen to overrule it.

The same principles upon which the warranty of quality is implied, are illustrated in relation to quantity; and it is somewhat remarkable that on this subject the law in relation to personal goods is the reverse of that which applies to real estate, and that in both instances it is an application of the same principle, that the eye must judge. Thus, where goods are sold by the piece, which are by usage known as containing a certain quantity, a warranty of such quantity is implied in the sale; because in such a mode of dealing it is mutually known that the buyer cannot judge merely by the exterior, and is not expected to measure before he bargains.

But in relation to a piece of land, if the description of it contains boundaries, and also a statement of quantity, the latter is disregarded, both as matter of description and as a ground of implying a warranty of quantity; and this is equally true, whether the quantity is expressed in absolute terms, or by qualified expressions; as of estimate; and the insertion of the words, more or less, which are often inserted by cautious men to avoid complaint, are wholly immaterial. Thus, if one sell a house, number one, in Beekman street, containing twenty-five feet front and rear, and one hundred feet deep, and it turns out to be either twenty or forty feet in width, and fifty, or a hundred and fifty, feet in depth, the buyer takes according to the actual dimensions of the property known as number one Beekman street; if it fall short, he has no right to redress; if it overrun, he is subject to no claim for a greater price. The like is true where a sale is made of a house bounded on one side by a street, on the other side by another house, and the quantity is expressed there also; if the quantity expressed be twenty-five feet, and the actual dimensions be twenty or forty, the rule is the same. The foundation of the rule is, that every person dealing with land is presumed to buy on actual inspection. His eye designates the monuments or controlling description, the quantity expressed is merely an inference from the objects presented to the eye; but both parties are conclusively presumed to trust to their senses in preference to their inferences. And, although quantity is the main consideration in any given purchase of land, yet the buyer is presumed to estimate the quantity by inspection, and not to rely upon the declarations of the seller in his deed, or upon any statement of inferences. The obligations of good faith are here deemed not to arise, since it is a case not of faith but of sight.

But if, in relation to a purchase of lands, a representation be made of

its productiveness as to rents, and it be false, there good faith requires that such representation be made good; since this is a matter in the knowledge of the seller alone, and which the buyer cannot of course discover by inspection, nor by inquiry which any other than the seller is bound to answer; it cannot well be a subject of stipulation, and the law imposes and enforces the obligations of truth and justice, and protects the buyer.

Another class of instances in which the rules of good faith are exhibited in the law, is that of recommendations for credit. In every commercial country where credit is extensively practised, it becomes necessary for merchants to inquire into the standing and solvency of persons applying to be trusted. The law, aware of the danger which would arise from the misapprehension of verbal conversations, and the danger of falsehood in the relation of them, has provided, that no one shall be responsible on a promise for the debt of another, without it be contained in a writing. But it does not, however, leave the subject of recommendations out of view; it adopts this rule: that the person applied to, being at liberty to answer or to be silent when inquired of as to the standing and credit of his neighbor, must, if he speak, speak in good faith; and if he gives a recommendation which he knows to be untrue, and credit be given on faith of such recommendation, he must make it good in case of loss. But this is a liability limited only to good faith; it only requires intentional truth; for, if the person giving the recommendation be himself deceived and imposed on, or ignorant as to the matter of his recommendation, no matter how careless in such ignorance or mistake, and no matter how incorrect the representation, yet if he have acted in good faith, believing what he said, or not intending to deceive, his good faith is his protection; and the good faith of the crediting party forms on his behalf no ground of claim. He had no right upon his neighbor, to whom he applies, except for good faith. The neighbor was under no obligation except for that; he was not bound to know the subject inquired of, and both parties being equally in good faith, no obligation is implied against one in favor of the other. In such cases, therefore, no reliance ought to be placed on recommendations as a ground of legal protection. If legal protection is desired, it ought to be plainly asked, that it may be understandingly given; and leaving an offending party to the odium which fraud and bad faith attracts, the law is too wise to interfere.

Passing now from the familiar topics of domestic commerce, into the more enlarged sphere of maritime trade, we find good faith to be of still more importance, since the distance of parties, in maritime commerce, from the scene of affairs, renders personal inspection and attention impracticable, and a reliance on the good faith of others more necessary. And yet even here it is not always a ground of legal protection. Thus a foreign agent, acting on a misconception of the orders of his principal, or deviating from orders in an honest view of his principal's advantage, is not protected by any degree of good faith on his part. He had specific orders; he was under specific duties; and however honest his purpose in not fulfilling them, yet it was at his own risk: he was acting beyond what he was trusted; and if this itself does not take away the pretence of the existence of good faith, it does deprive of any protection from it.

In relation to the transportation of goods from abroad, the liability of the shipmaster and owners is without protection from good faith on their part. Their liability is absolute. It is not unfrequent where merchandise is received abroad in good order, and delivered in bad order, that the

master and owners consider themselves discharged, if there be every good faith on their part in the performance of their engagement as carriers: this is by no means the principle of their responsibility or exemption. If the damage have occurred by irresistible force of the elements, then they are not responsible; but unless thus occasioned, no care nor diligence on their part in providing a good ship, equipments, and crew, no vigilance in taking care of the property, serves as a protection. This extensive and absolute obligation arises out of the policy of the law. Merchandise, when committed abroad to the master of a ship, ceases to be within the inspection of the owner of the goods, or his agents: the shipmaster and his agents have the whole disposal and knowledge of it. It is obvious, that if the master were only to be held liable for faults actually proved, for negligence, such as would disprove a performance in good faith of the obligation to transport, it would be almost impossible for the owner of the goods to prove it on him. Such owner could not find the witnesses to prove what care or negligence was exercised or committed; these witnesses would be either the crew of the ship, or the persons employed on her in a distant country: the crew are transient persons, and under the control of the master. Besides, whether measures are the result of care or the result of negligence, is to a great extent matter of opinion; and a rule of liability or exemption, founded upon it, would be very vague, indefinite, and productive of dispute. And, although this rule of liability be rigid, and may expose that meritorious class of men, who own, or who navigate ships, to disasters which they cannot always prevent, and which may occur, notwithstanding every good faith on their part, yet its general operation is salutary. It quickens vigilance, and gives certainty, security, and precision, to one of the most common and most necessary contracts of commerce. The dominion of accident is by no means a definite territory: it expands and contracts itself exceedingly, according to the degree of precaution, care, and active vigilance, in those who are subject to its sway; and every principle requires that amidst the accidents of life, every excitement should be given to guard us against their occurrence, and protect us from their effects; and it is no small excitement of this sort, to hold that nothing shall be held excusable accident, which previous precaution and constant vigilance could have prevented. It has, under a sense of imaginary hardships upon this contract of carriers, been recently contended, and in some degree countenanced by judges, that this rule of responsibility should be lowered down to liability for actual neglect and want of good faith: this is in opposition to the wisdom of ages, and the practice of the whole world. And it will still be a question for jurors, the merchants, mechanics, and men of business, to declare, when such questions shall be submitted to them, what they will consider proof of diligence and good faith between parties so unequally circumstanced as to means of inquiry and proof.

The contract of insurance also requires to be brought to view, as more dependent on good faith than any other. In this contract, one party is wholly passive, the other active: one has the whole control of the adventure, has all the knowledge of the particular subject, with all the intrinsic and extrinsic circumstances which enhance or diminish the risk. The insurer takes all the chances of the adventure not arising from its intrinsic imperfections. Upon these chances, arising from the ordinary circumstances of the exposure of the subject, he assumes: but he has no control of the property, nor any right or means of providing for its safety.

He, therefore, entirely depends upon the acts and statements of the insured person contracting with him. Upon every principle, therefore, both of policy and of natural justice, he is entitled to the exactest truth, the most abundant and perfect frankness, in those matters on which his engagement rests.

The state and condition of the ship, as to sea-worthiness; as to her capacity of successfully encountering the ordinary dangers of the sea, and other risks of trade, including not only the body of the ship, but her equipment; the number, strength, and skill of the crew, the proper storage of cargo, are all assumed by the insurer to be perfect: good faith to him requires this to be so. He only assumes external dangers in the course of a trade, upon which his experience enables him to found an estimate of the premium; and if, in any of these particulars, his just expectations are defeated, his liability does not arise. The shipper of a cargo, who has no connexion with the fitting of the ship, is equally affected by defects of sea-worthiness as the owner of the ship himself: he is presumed to rely upon the engagement of the ship-owner, and not of the insurer, for the goodness of the ship. So that if the ship lack sea-worthiness, whether it be known to the insured merchant or not, whether it be his fault or not, the insurance is invalid. It is the condition of the contract: it is the supposition on which it is made, and no good faith nor innocence on part of the insured can prevail against the more controlling obligations of good faith existing in favor of the insurer.

So, too, good faith requires a true representation of all external circumstances which go to increase the degree of peril to which the property is exposed. If the vessel has been at sea beyond the ordinary length of the voyage on which she has sailed, if there have been uncommon storms and tempests in the period and track of her voyage known to the insured person, if vessels have been seen dismasted or endangered in the period and track of the voyage, which might induce the suspicion of disaster, all these things, if known to the insured, must be stated by him in his proposal for insurance. He must, of his own accord, make a full and frank statement. He cannot excuse himself by saying that he was not inquired of by the insurer, or that the latter might have known on inquiry. The obligation of good faith is upon himself. He must not only make truly all statements which he does present, but he must make the statements so full as to embrace all the knowledge he himself possesses, and which go to render insurance on his part desirable, or which would cause the insurer to hesitate at insuring, or to demand a higher compensation for the insurance.

So far is this obligation to good faith one of active diligence, that where orders for insurance are sent from a distant place, and rumors are there received, which, if communicated, would affect the premium of insurance, such information must be sent forward with the same active diligence as the orders for insurance; for, if by such diligence such information could have reached the place where the insurance is effected in time to have been communicated before the contract is made, the insurance is defeated. The rule here is the most perfect protection which the law gives, and its requirement of good faith is the most comprehensive and unyielding. It exactly requires the insured to do what he would wish to have done had he stood in the place of the insurer. There is no other instance in the law, of a rule so exactly coincident with those of pure ethics.

It will be seen, therefore, on the whole, that in the great mass of the transactions of business, the law does not present the best defences of good faith, but, out of its policy, leaves it to the protection chiefly of individual vigilance, and the sound operation of an honest public sentiment.

Without having exhausted our subject, time admonishes us to forbear too extensive an exploring of it. Let us only look back for an instant at the two main principles which develop themselves on this subject: namely, that the policy of commerce is the great object of its laws; and that that policy demands rules sometimes variant from individual justice.

Many complaints are made, of the hardship and injustice of the law. Oftentimes such complaints are just. A general rule operates an individual hardship. As a general rule, twenty-one years is deemed the age of discretion when a man shall be bound by his contracts; while some precocious youth shows at early sixteen a degree of maturity well entitling him to the privileges and subjecting him to the obligations of manhood. A general rule requires the contracts to become surety, contracts for sales of a value over twenty-five dollars, to be in writing, to avoid the danger of misapprehension and of falsehood; yet it sometimes operates to render invalid the justest and plainest contract, contracts the most fully capable of unquestionable proof. In each particular instance supposed, the general rule is unjust in its operation; but is it less useful as a general rule? Shall every minor be subject to trial as to his degree of maturity and discretion? Shall there be no easy rule by which, as a plain one, all men may be governed, and society delivered from endless disputes and litigation?

Shall every word of heedless commendation of a man's character or credit, subject to a claim of responsibility for it? Shall this claim be supported by that imperfection of evidence, the hearsay of persons accidentally present, or present from interest? Shall the chaffering between buyer and seller expose either to the obligation of heavy contracts from a misapprehension of terms, or from an interested hearing or false relating of them? Is it not better that a general rule should prevail, by which peace and security may be obtained, instead of a more particular and varying rule, which, in seeking a minute and theoretical perfection, would be hardly capable of a just application? Deriving, as society does, all its stability from its general rules, let us discountenance all impatience at particular hardships. Let not men, because they think themselves to understand a single transaction before them, deem themselves wiser than the laws — laws, not the imperfect wisdom of one man, or of one age, but the combined intelligence and experience of many men, of successive ages. And when you, the young merchants whom I address, shall be called on as jurors, as arbitrators, or in posts still more responsible, to apply the rules on which commerce and society rest, discard the narrow considerations of particular hardship or individual sympathy; search for the great rule on which the institutions of your country have thought fit to place the general welfare; and whether you are to pronounce upon the property, the character, or the life of your fellow-citizen, do it upon the public rule of wisdom; do it faithfully; do it fearlessly. Yield not to individual complaint. Heed not private sympathy. Suppose not that your eye reaches all consequences. Deem not your own views to be perfect wisdom. But, looking at the general public benefit as the end, and the well-ascertained rule of law as the definite and certain means, seek the former, only in following the latter, and the immediate ill which you may possibly witness will be wholly absorbed in the universal good.

You have also observed, in the preceding remarks, that, as a rule of general policy, the law requires parties dealing with each other to rely upon the knowledge they may have of their characters. You will hear this rule in its operation often censured, and especially so for the check

which it brings upon the extent of practicable business. It will, with much truth, be said, that, if we are required to know every body we deal with, our dealings must be few. But is not the value which this rule gives to a character for integrity and truth something? Is not this a consequence of such a rule? Is it not better to walk somewhat less rapidly in the course of life, for the sake of having that walk made pleasant by universal respect, and honorable by unhesitating confidence? And is it not protection enough, as to the difficulties into which you may sometimes fall, from the impossibility of knowing the secrets of the heart, that public opinion, general sympathy, universal indignation, stand forth in vindicating, at all times and in all places, the claims of good faith? Base the commercial public opinion upon truth, honesty, and honor; let its censures reach alike the highest and the lowest; let the finger of scorn settle itself towards the tricky, cunning, and uncandid; let the detected falsehood, the well planned deception, the crafty overreaching, be generally marked, known, and appreciated as they deserve, and good faith will not much complain of public policy. Private interest will not be unwilling to submit herself to public good.

ART. VIII. — MERCANTILE LAW DECISIONS.

INSURANCE — TOTAL LOSS — PARTNERS AND PARTNERSHIP — PARTNERS AND AGENTS — SPECIAL OR GENERAL PARTNERS — BILLS OF EXCHANGE AND PROMISSORY NOTES — BILLS AND NOTES — REPLEVIN — TARIFF DUTIES, ETC. — FORFEITURE OF GOODS FOR UNDERVALUATION — BANK CHARTER CONTRACTS — LIABILITY OF SHIPPING AGENTS — COLLISION.

INSURANCE.

1. By the well settled principles of law, in the United States, the state of the facts, and not the state of the information at the time of the abandonment, constitutes the criterion by which it is to be ascertained whether a total loss has occurred or not, for which an abandonment can be made. If the abandonment, when made, is good, the rights of the parties are definitely fixed, and do not become changed by any subsequent events. If, on the other hand, the abandonment when made is not good, subsequent circumstances will not affect it so as retroactively to impart to it a validity which it had not at its origin.

2. In cases where the abandonment is founded upon a supposed technical total loss, by a damage or injury exceeding one half the value of the vessel, although the fact of such damage or injury must exist at the time, yet it is necessarily open to proof to be derived from subsequent events. Thus, if the repairs, when subsequently made, clearly exceed the half value, it is plain that this affords one of the best proofs of the actual damage or injury. On the other hand, if the subsequent repairs are far below the half value, this, so far as it goes, affords an inference the other way. In many cases of stranding, the state of the vessel may be such, from the imminency of the peril and the apparent cost of expenditures requisite to deliver her from it, as to justify an abandonment; although, by some fortunate occurrence, she may be delivered from her peril without an actual expenditure of one half her value, after she is in safety. Where, in the circumstances in which the vessel then may have

been, in the highest degree of probability, the expenditures to repair her would exceed half her value; and if her distress and peril be such as would induce a considerate owner, uninsured, and upon the spot, to withhold every attempt to get the vessel off, because of such apparently great expenditures, the abandonment would doubtless be good.

3. In respect to the mode of ascertaining the value of the ship, and, of course, whether she is injured to the amount of half her value, it has, on the fullest consideration, been held by the supreme court, that the true basis of the valuation is the value of the ship at the time of the disaster; and that if, after the damage is or might be repaired, the ship is not, or would not be worth, at the place of repairs, double the cost of repairs, it is to be treated as a technical total loss.

4. The mere retardation of the voyage by any of the perils insured against, not amounting to or producing a total incapacity of the ship eventually to perform the voyage, cannot, upon principles well established, be admitted to constitute a technical total loss, which will authorize an abandonment. A retardation for the purpose of repairing damage from the perils insured against, that damage not exceeding one moiety of the value of the ship, falls directly within this doctrine. Under such circumstances, if the ship can be repaired, and is repaired, and is thus capable of performing the voyage, there is no ground of abandonment, founded upon the consideration that the voyage may not be worth pursuing, for the interest of the ship-owner; or that the cargo has been injured so that it is not worth transporting further on the voyage: for the loss of the cargo for the voyage has nothing to do with the insurance upon the ship for the voyage.

5. An insurance on time differs, as to this point, in no essential manner from one upon a particular voyage; except in this, that in the latter case the insurance is upon a specific voyage described in the policy; whereas a policy on time insures no specific voyage, but it covers any voyage or voyages whatsoever, undertaken within, and not exceeding, in point of duration, the limited period for which the insurance is made. But it does not contain an undertaking that any particular voyage shall be performed within a particular period. It warrants nothing as to any prolongation or retardation of the voyage; but only that the ship shall be capable of performing the voyage undertaken, notwithstanding any loss or injury which may accrue to her during the time for which she is insured; and of repairing it, if interrupted. *Bradlie v. The Maryland Insurance Company*, 12 *Peter's U. S. Rep.*

1. In an action on a policy of insurance referring to certain conditions, wherein it was stipulated, that the assured "shall procure a certificate under the hand of a magistrate, notary public, or clergyman, most contiguous to the place of the fire, and not concerned in the loss, or related to the insurers or sufferers, that he is acquainted with the character and circumstances of the person or persons insured, and knows or verily believes, that he, she, or they, really and by misfortune, and without fraud or evil practice, hath or have sustained by such fire loss and damage to the amount therein mentioned; and until such certificate is produced, the loss shall not be deemed payable;" after the destruction of the property insured by fire, the assured applied to the two nearest magistrates, who refused to give the required certificate, and then applied to the next nearest magistrate, who gave one, which was produced to the defendants; it

was held, that the certificate of the *nearest* magistrate was a condition precedent to the right of the plaintiff to recover. *Leadbetter v. Etna Ins. Co.*, 1 *Shepley's Maine Reports*.

2. Policies against fire are personal contracts with the assured, and do not pass to a purchaser of the property insured, or to an assignee, without the consent of the underwriters; if the assured sell the property, and part with all his interest therein before the loss happen, the policy is at an end, unless it be assigned to the purchaser; if he retain a partial interest in the property, the policy will protect such interest.

3. It seems that when the property insured be sold, and a portion of the consideration money remain unpaid, and the assured recover the amount of his loss from the underwriter, that the latter is entitled to be substituted in the place of the assured, in respect to his rights and remedies against the purchaser.

4. Where by the terms of the policy it is provided that in case the assured shall already have any other insurance, not notified, the policy shall be void, and it is declared that in case of any other insurance upon the property, whether prior or subsequent, there shall be only a pro rata recovery in case of loss, and one of the conditions attached to the policy is, that notice of all previous insurances shall be given, at the peril of forfeiting the policy: It was held, that a purchaser of a dwelling-house, who effected insurance upon it, was not bound to give notice of a previous policy effected by his vendor, unless such previous policy were assigned to him.

5. The certificate of loss need not be in the precise words specified in the policy; if it be so drawn as evidently to mean the same thing, it is enough; and, accordingly, where the condition required that the magistrate should state in his certificate that he was acquainted with the character and circumstances of the person insured, and that, having investigated the circumstances in relation to the loss, he knew or verily believed that the assured had sustained loss to the amount mentioned in the certificate, it was held, that a certificate of the magistrate that he resided within two miles of the place, was acquainted with the assured, and that the assured had sustained loss to the amount of the buildings mentioned in the account of loss of the assured, was a sufficient compliance with the terms of the condition. *Etna Fire Insurance Company v. Tyler*, 16 *Wendell's New York Reports*.

6. APPLICATION FOR. — The slip, survey, or application for insurance, though referred to in the body of the policy as more particularly describing the building containing the goods insured, is not such a constituent part of the policy as to operate a warranty; it is a mere representation, and, if substantially correct, the policy is valid, although one of the conditions attached to the policy be, that if the assured shall make any misrepresentation, the insurance shall be void.

7. It seems that in this respect there is a difference between marine and fire policies. *Farmers' Insurance and Loan Company v. Snyder*, 16 *Wendell*.

An action was brought in the Court of Common Pleas, Charleston (S. C.) District, at the May term, 1839, by *John Kirkpatrick v. The Charleston Fire & Marine Insurance Company*, before Judge Earle, on a policy of insurance on seventy-eight bales of cotton, shipped by *Jas. McFie* on board of a boat, of which one *Jesse Floyd* was both owner and master, from Columbia to Charleston.

The testimony of Floyd, taken by commission, was offered and objected to by the defendants, on the ground that the witness was directly interested in the event of the suit. After hearing argument on that point, the objection was overruled by the presiding Judge, and the testimony read. He states that he was sole owner of the boat, and the only white person on board at the time the cotton was lost. That about 9 o'clock on the night of 28th January, 1836, near Clement's ferry, while his boat was at anchor, he was informed by one of the hands that the cotton was on fire; that it raged with such force that he and his hands could not extinguish it, and that the boat and all the cotton was entirely consumed. Among other risks, the policy covered those of fire and barratry of the master, not of consignee.

The defence set up, on behalf of the underwriters, was:

1. That the boat was not seaworthy, by reason of the notoriously bad character of the captain, and his want of skill.

2. That the cotton was not lost by fire, but stolen by Floyd, the master and owner of the boat.

3. That there was a misrepresentation and concealment by the assured, which materially enhanced the risk.

4. That the plaintiffs could not recover the count for a loss by barratry, because the master, being owner of the boat, could not commit barratry.

A great deal of evidence was offered on behalf of the defendants; the case was then argued by the counsel, and after a luminous charge by his Honor, Judge Earle, the Jury retired, and the next morning brought in a verdict for the defendants.

The plaintiffs have appealed on the following grounds:

1. That by the terms of the policy, the insurers took upon themselves the risk of loss by fire and theft of the mariners, and barratry of the master, "when not consignee," and in this case the master was not consignee—yet his Honor charged the Jury, that if they believed the loss had occurred from embezzlement by the captain, the assured were not entitled to recover, because the master was stated to be the owner of the boat in which the cotton was laden.

2. Because his Honor charged the Jury that if the cotton was in anywise lost or destroyed by the fraud or crime of the captain, the loss was not covered by the policy, because the master or patron carried the cotton in his own boat, even if the insurer knew that fact at the time the policy was subscribed, and notwithstanding the insurers expressly undertook in the policy to insure against fire, theft, and barratry of the master, "when not consignee."

3. Because the loss having been proved to have happened either by fire or theft, and the terms of the policy having embraced both, the plaintiff was entitled to a verdict.

TOTAL LOSS.—The case of *Orlando Perkins and others v. The Atlantic Insurance Company of Boston*, decided in the Supreme Judicial Court of Massachusetts, February 23, 1839, was an action on a policy of insurance on the bark *Horace* of Kennebunk, Maine. It was a valued policy for one year. During the time covered by the policy, the bark sailed from New Orleans loaded with cotton for Liverpool. A few weeks afterwards she came into Kennebunk and anchored, and in a gale of wind she parted her cable and drifted ashore. The plaintiffs claim for a total loss.

The defence was placed upon three grounds, as follows :

1. That the ship was unseaworthy in not having sufficient cables. On this point there was much evidence. The defendants insisted, that the cables were of poor iron ; that the gale was not of sufficient violence to have parted good chain cables ; that this was evident from the manner in which the chain parted ; and they relied somewhat on the fact, that they had requested the plaintiffs to produce a part of the cables, and test their quality. The plaintiffs offered the evidence of the manufacturers of the cables in Bristol, England, who testified to their being perfectly well made, and of good iron.

2. The second ground of defence was, that there had been such a deviation on the part of the ship, in sailing from New Orleans, and putting into Kennebunk, as discharged the insurers. To this position, the plaintiffs objected, that in an insurance *on time*, the vessel had a right to go *where she pleased*. It was a very different case from one where a ship was insured from one particular port to another. In a case of a valued policy on time, like this, there could be no deviation.

Judge MORTON considered this a novel point, and he declined giving any opinion upon it, but ruled, for the purpose of the trial, in favor of the defendants.

The latter then insisted, that this deviation was a gross breach of duty ; that the captain wished to go into Kennebunk to see his family, and ought to have put into some more convenient port, if into any ; and several skilful seamen were examined upon the point. On inspecting the log, they were called upon to give their opinions, whether a nearer port might not have been easily made, and whether the conduct of the master was not grossly negligent.

On the part of the plaintiffs, it was insisted, that, under all the circumstances, the master acted very prudently, and according to his best judgment ; and they offered evidence to show, that it became necessary to put into some port, on account of a mutiny among the men.

3. The defendants contended that, at most, there had only been a partial loss.

The jury returned a verdict for the plaintiffs, for a total loss. Damages — \$10,450.

PARTNERS AND PARTNERSHIP.

1. Where one of three partners retires from, or a new partner comes into the firm, or both, and notice thereof is given, but the business continues to be carried on, in other respects, as before, those partners as to whom no notice is given, will be presumed to hold the same relation to the concern afterwards that they did before.

2. In an action against several for a partnership debt, if one of the defendants denies that he was a partner, it is incumbent on the plaintiff, in the first instance, to prove such defendant to have been a partner ; and, if this is done, he will be liable, unless he proves a dissolution of the partnership as it regarded himself, and notice thereof to the plaintiff before the debt was incurred.

3. In such action, a witness testified in chief, that he had given notice of the withdrawal of such defendant, and of the general dissolution of the partnership, and that he was "confident that all in the neighborhood were notified in two days." On his cross-examination, the plaintiff's counsel inquired whether he gave the same notice to the other creditors

of the partnership as he had testified that he gave to the plaintiff, and the witness replied affirmatively, and gave the names of several to whom he had given notice. It was held, that it was competent for the plaintiff to call the persons so named, to prove that the witness had not given them any such notice as he had stated; but that it was not competent for the defendant to call any of the persons named, in order to prove that they had received such a notice from the witness. *Howe v. Thayer*.

4. Where notice of a dissolution of a partnership has not been published in a newspaper, or brought home to the knowledge of the party to be affected by it, evidence of the mere notoriety of the dissolution is not admissible to prove such notice. *Pitcher v. Barrows*.

5. On the death of one of four partners, and the consequent dissolution of the partnership, one of the survivors took out letters of administration upon the estate of the deceased partner, and the three survivors formed a new partnership, and took to themselves the stock on hand giving each his own individual note for one third of the appraised value, payable to the three. It was held, that this supposed sale was ineffectual, and that the three surviving partners were jointly accountable to the funds of the old partnership for the value of the stock.

6. Goods belonging to a partnership were consigned to a merchant abroad for sale, part of them in the lifetime of all the partners, and the residue after the death of one of them, and consequent dissolution of the partnership by the surviving partners, and advances were made upon the goods by the consignee, before and after the death, which went into the partnership funds, and were applied to the debts of the firm, the consignee having no notice of the death. The proceeds of the sales fell short of the sums advanced. It was held, that the consignee's claim to reimbursement for the excess of his advances, as well upon the goods consigned after as upon those consigned before the death, was chargeable upon the partnership funds in the hands of the surviving partners. *Washburn v. Goodman*,—*Pickering's Mass. Rep.*

LIABILITY OF DORMANT PARTNER.—A dormant partner is not liable on the written agreement of his co-partners, to which he is not a party, to employ a person in their trade for a certain period. *English Report*.

One partner cannot bind his co-partner by deed to any new liabilities, but he may by deed bar him of a right which they possess jointly, and may individually adjust, receive payment, or release any partnership debt; and this may be done by either partner after a dissolution of the partnership. *Morse v. Bellows*, *New Hampshire Reports*.

PARTNERS AND AGENTS.

At the March term of the Supreme Court of New York, before Judge Talmadge, the case of *Addonis & Cunningham*, was an action to recover the amount of goods purchased by the defendant, under the following circumstances: In the year 1836 the defendant was introduced to the plaintiffs as a person connected with the firm of Marsh & Forbes, of Georgia, and that this firm was solvent and entitled to credit. The plaintiffs in consequence sold the defendant goods to the amount of about \$700, for which he gave them a note, in the name of Marsh & Forbes. This note was not paid, and the plaintiffs instituted the present suit against the defendant.

The defence set up was, that the defendant was not one of the firm of Marsh & Forbes, and had purchased the goods merely as their agent,

and it was attempted to be shown that at the time he purchased the goods, he had been introduced to the plaintiffs only as the agent, and not as the partner of Marsh & Forbes. The evidence, however, on this part of the question was of a very vague and inconclusive character.

The Court charged the Jury that every person who buys goods or makes a contract is bound by it, unless he acts as the agent of another, and unless he discloses that agency, or it is otherwise known to the parties he deals with. Verdict for the plaintiffs, \$795.

SPECIAL OR GENERAL PARTNERS.

A case was recently tried in the United States District Court, in New York, Judge Betts presiding, in which Elijah T. Hubbard and Henry Carrington were plaintiffs, and Edward M. Morgan, Wm. H. Jessup, Henry T. Morgan, and Knowles Taylor, were defendants, to test the question as to whether this latter defendant was a special or general partner in the firm of Edward M. Morgan & Co., of Wall Street.

The action was an action of assumpsit, and was brought to recover the amount of a balance of an account alleged to be due the plaintiffs, who resided and were in business in Illinois on the 22d of January, 1838. The amount claimed was \$10,179 75, with interest.

It appeared that Mr. Taylor had put \$75,000 into the firm as a special partner, but had neglected to comply with the provision in the law authorizing special partnerships, which requires that "the business of the partnership shall be conducted under a firm in which the names of the *general partners* only shall be inserted, without the addition of the word 'Company,' or other general term:" for the word Company was used in the certificate of partnership made before Recorder Riker, and in all subsequent transactions. Judge Betts therefore instructed the jury that Mr. T. had lost the privileges of a special partner, and they accordingly rendered a verdict for the plaintiffs of \$11,125 78—which binds him.

BILLS OF EXCHANGE AND PROMISSORY NOTES.

1. Where individuals subscribe their proper names to a promissory note, *prima facie*, they are *personally* liable, although they add a description of the character in which the note is given; but such presumption of liability may be rebutted by proof that the note was in fact given by the makers as the agents of a corporation for a debt of the latter due to the payee, and that they were duly authorized to make such note; and such facts may be pleaded in bar of an action against the makers personally, averring knowledge on the part of the payee.

2. It is no objection to such defence, that the name of the corporation be not correctly stated in the description attached to the signature; it is enough if it appear that the makers did not intend to be *personally* bound.

3. A person cannot shield himself from liability by showing that he acted as the *agent* of another, unless he avowed himself as such to him with whom he contracted, or the fact was known to him. *Brockway v. Allen.*

4. A drawer of a bill, or the endorser of a note, is not discharged from liability by the omission of the holder to make presentment or demand, or to give notice of non-acceptance or non-payment, where it is clearly shown that no injury or damage has been sustained in consequence of the omission.

5. Damage, however, will be *presumed* from the omission, until all

possibility of injury from the *laches* of the holder is removed by proof. *Albany Commercial Bank v. Hughes.*

6. It is no defence at law to an action on a promissory note, that it was given as part consideration of land sold by the payee, which he covenanted was *free from incumbrances*, and that the land is subject to a mortgage, executed by him, for a sum exceeding the amount of the note. *Lattin v. Vail.*

7. Where a promissory note is given for a specific sum, evidence that *at the time* of the giving of the note, it was agreed between the parties that an *account* which the *maker* held against the *payee* should be deducted from the note, is not admissible.

8. An agreement, however, made *after* the giving of the note, that a debt contemplated to be contracted by the payee with a third person, should be allowed in payment of the note, is a valid agreement, and the debt, when contracted, may be shown *in payment* of the note under the general issue.

9. But such debt cannot be allowed as a *set-off*; and where a court of common pleas instructed a jury that they might allow it, *either* in payment or as a set-off, the judgment entered upon a verdict in pursuance of such charge was reversed. *Eaves v. Henderson.*

10. In an action by the *endorsee* against the *maker*, a promissory note cannot be given in evidence under a count for *money lent*; but it may be given in evidence under a count for *money had and received*. *Rockefeller v. Robison.*

11. Where a note was made by A., payable to B. or bearer, and C. endorsed it, and an action was brought by a third person, claiming by transfer from B., charging C., as the *maker* of the note, *it was held*, on demurrer, that the declaration was bad.

12. *It seems*, that when an *endorser* of such a note is privy to the consideration, he may be charged directly as *maker* or as *endorser*; and that a *bona fide* holder may in all cases write a bill of exchange over the name of the endorser, or fill up the blank in any form consistent with the intent of the parties. *Dean v. Hall.*

13. Where a debtor certifies a balance as owing by him, and then draws a note stating the amount in the *margin* in figures, but in the *body* inserting an amount a few dollars less than the true sum, as \$300 instead of \$334, *it seems* that the creditor may, without any *express authority*, insert the words omitted, and make the note to conform to the original intent.

14. At all events, upon such evidence, he is entitled to recover upon the common count of *insimul computassent*. *Clute v. Small.*

15. Although as between the *payee* and the *drawer* of a bill of exchange, the remedy of the former against the latter is not affected by the omission to make *presentment for acceptance* of a bill payable a given number of days *after date*, provided it be made at the maturity of the bill: the same rule does not prevail as between the *payee* and a *broker* or agent with whom the bill is left for collection. The agent is bound to present the bill for acceptance *forthwith*, and if not accepted, to give notice thereof to his principal, and if he neglect to do so, he becomes responsible in damages.

16. Where an agent had neglected to make presentment for 17 days, *it was held* that he was liable in damages to the full amount of the bill, although it appeared that the drawees had no funds, that they were directed by the drawer not to accept, and that the lateness of the presentment had no influence upon the non-acceptance: it appearing in proof that *subsequent* to the drawing of the bill in question, other bills of the

same drawer had been accepted by the same drawees, and paid or secured to be paid.

17. *It seems*, however, that facts and circumstances tending to reduce the amount of recovery, or to mitigate damages, may properly be submitted to the consideration of the jury. *Allen v. Suydam*.

18. Where an *accommodation note* is drawn for \$2,500, and the payee declines to endorse for the *whole amount*, but agrees to do so for a less sum, and writes a direction to the cashier of the bank where the note is made payable, to pay upon it \$750, such note is, *in legal effect*, a note for \$750, and may accordingly be declared upon as a note for that sum.

19. The holder of a note is relieved from demanding payment and giving notice of non-payment to an endorser, who, within a few days before the maturity of the note, writes to him that the maker has failed, acknowledges his liability, and asks indulgence until funds can be realized from security given by the maker.

20. The *mere taking of security* by an endorser, from the maker of the note, does not dispense with a demand and notice, unless it appear that *funds* have actually come into the hands of the endorser to an amount sufficient to satisfy the note, or that *all the property* of the maker has been actually transferred to the endorser. *Douglass v. Wilkinson*.

21. *Indulgence to the maker* of a note on receiving securities from him, does not discharge the *endorser*, when there is no valid agreement for giving time of payment for a definite period. *Bank of Utica v. Ives, Wendell's New York Reports*.

The Englishman and Military Chronicle of February 2, 1839, contains a report of a case in equity, in which *Radakissen Mitter* was the plaintiff, and the *Bank of Bengal, George Udny, and the Assignees of Messrs. Ferguson & Co.*, were the defendants. The plaintiff's bill prayed an injunction to restrain the defendants from proceeding at law against the complainant on five bills of exchange, for the aggregate amount of four lacs of rupees, drawn by him in favor of one Durpnarain Gangooly, accepted by Messrs. Ferguson & Co., and discounted by the Bank of Bengal.

In consequence of the insolvency of Ferguson & Co., the bills were dishonored, and actions were brought upon them against the plaintiff, which it was the object of the bill to restrain.

Several points were relied upon by the plaintiff, all of which were overruled by the court, except one, which was, that the Bank were holders of securities deposited with them for a particular purpose, but the surplus produce of which, if any, was applicable to the payment of the bills; that the Bank parted with these securities not only without the privity of the plaintiff, but against his express dissent; and he contended that by so doing they discharged him from his liability.

A majority of the court were of opinion, that the ground taken by the plaintiff on this point was right. It was clear, they said, first, that a surety is entitled to the benefit of securities deposited by the principal with the creditors, whether deposited or not with his privity; secondly, that the surety is discharged by any act of the creditor, by which his situation is altered. And they thought that the objection that the plaintiff was not damnified by the disposal of the securities was of no avail, because the surety is entitled to judge for himself of what is for his own benefit, and another party cannot judge for him without discharging him.

The consequence was, that the court granted the injunction, in effect discharging the plaintiff from all liability on the bills.

BILLS AND NOTES.

NEGLIGENCE.—An interesting case was tried in the Supreme Court, June 4th, 1839, Judge Oakely presiding. It was brought by *Henry Swaydam and William Boyd v. Solomon and Moses Allen*. It was an action to make the defendants liable for the amount of a note given them to forward to Concord, New Hampshire, for acceptance; and in relation to which, it was alleged they had acted negligently, and by so doing, rendered themselves responsible for its amount.

The occurrence took place in the year 1833, and the case had been ever since in litigation, having been first tried in the Superior Court, and from thence brought to the Supreme Court, and then to the Court of Errors, and back again to the Superior Court.

The note was drawn by J. Easterbrooke, of this city, on W. W. & J. A. Easterbrooke, of Concord, New Hampshire, and placed in the defendants' hands about the 16th of August, to forward it for acceptance. The defendants, however, omitted forwarding it until some time in September, and it was then returned to them dishonored. The plaintiffs refused to take back the note, on the ground that the defendants had, by their negligence in forwarding it for acceptance, made it their own. Early in October, the ensuing month, after the bill came back dishonored, the drawer, Easterbrooke, left New York on a journey, and was lost in the New England Steam Boat. It appeared, that even had the defendants sent on the bill in due time, it most probably would not have been accepted; for when it was presented for acceptance, the brothers on whom it had been drawn refused to accept it, alleging, on one occasion, that they had received no instructions to do so from their brother who had drawn the bill; and on another occasion, they alleged that they had received instructions not to accept it. But it also appeared that had the bill been sent for acceptance, and returned in proper time, the drawer of it was then apparently in such good standing and credit in this city, that it was fair to infer he could have paid the bill, or given security for it.

When the case was tried in the Superior Court, Chief Justice Jones charged the jury, that as the defendants had acted with negligence, in not sending on the bill in due time, they had, by doing so, made it their own, and that the law left the jury no option to consider the circumstances of the case, and they must find a verdict for the plaintiffs, for the full amount of the bill. And the jury found so accordingly.

The Supreme Court, and the Court of Errors, decided, that the defendants were liable for their negligence, or inattention, but that the extent of their liability was not a question of law, and should have been left to the decision of the jury.

The Court charged the Jury.

The case contained two questions. First, were the defendants liable at all; and secondly, if they were, to what amount. All the Courts, before which this case had gone, agreed that the defendants are liable in damages to some extent. The defendants, in their capacity of brokers, undertook to collect the bill, for doing which they were to receive the ordinary compensation. They however did not send on the bill with due diligence, and it was dishonored. When this case was tried on the former occasion, the Court thought that the rule of the law was, that if an agent takes a note to collect, and acts carelessly or negligently, he makes

it his own; and the drawer or owner of the note can say to him, "You have deprived me of the means of collecting it, and the law therefore makes it yours." On the former trial, the jury were therefore told, that the negligence alone, of the defendants, had rendered them liable for its amount. The decision was reviewed by the Supreme Court, and the Court of Errors, who said that although the defendants were liable, the rule of damages laid down by this court was not correct; and that it should be left to the jury to say, whether the damage should be merely nominal or more. The inquiry must then be, whether, if this bill had been promptly sent on to Concord, and returned here in five or six days, was it probable that the plaintiffs would have got payment for it, in whole or in part. If you think the probability was, that in such case the bill would have been paid, or secured for the whole or in part, then you will find for the plaintiffs for such an amount as you think would have been secured or paid. The court did not see that there was more probability of getting a part of it, than the whole of it. What is the case as it appears in evidence? The plaintiffs were kept out of it from August until some time in September, and it was then sent back dishonored. They therefore refused to take it, as they thought the Messrs. Allen had made it their own. No unfavorable inference can on this account be drawn against either the plaintiffs or defendants, as it was perfectly fair for each of the parties to put themselves on what they supposed to be their legal rights. The drawer of the bill was a merchant doing business here, in Canal street, having, up to the period of his departure, a quantity of goods in his possession, apparently double the amount of his draft. He was also seemingly in good credit, nearly to the time when he went away. It has been however said on the part of the defendants, that he had failed. But the only evidence of it is, that a note he drew payable at Concord, was sent back, and was taken up by his draft. You will say whether it is fair to infer from this circumstance, that he broke or failed. A man might easily have a note payable at a distant place from where he resided, and yet its not being promptly paid there might not impair his credit. It is said that after his death, his estate was insolvent. But to what extent, we have no proof. That happened in October, but no one can tell what was his situation in August, when this note ought to have been returned, and you have the same evidence of his credit then, as you could have of any other man in business who passes a draft. If you think that he was able to pay this bill, you have a right to say, that it is probable he would have paid it, and the plaintiffs are entitled to a verdict for its amount. But if you think that he failed, and would not have paid it, then the plaintiffs have sustained no loss by the defendants' negligence, and you should only give a verdict for nominal damages.

Verdict for the plaintiffs, \$662 74, being the amount of the note without interest. For the plaintiffs, D. Lord, Jr., and J. P. Hall. For defendants, Mr. Foote.

CASE OF REPLEVIN.

In the Superior Court, New York, January 15—16, 1839, an interesting action of replevin, in the case of *William Stone v. Charles Oakley*, was brought to recover the value of a cargo of molasses, consisting of 194 casks, or 25,200 gallons, shipped at Bahia, in the Brazils, on the 16th of January, 1837, on board of the Brig Harp, Capt. Welsh, by Messrs. Bursheck & Co. of Bahia, per the order and for the use of the plaintiff, a merchant at Boston. There was also shipped in the same vessel a

number of other casks, per the order, and for the use of Messrs. Howland and Aspinwall of this city. The freightage was paid by a draft on the plaintiff for \$1,323, and the cargo was consigned to Messrs. Thomas Wilson & Co. of this city.

After the brig had left the Brazils about fifteen days, she was driven by stress of weather into the harbor of the island of St. Thomas, in the West Indies. She leaked considerably, and the cargo was much damaged. In this condition the cargo and vessel were taken possession of by the American consul, Mr. Hicks; the cargo was discharged, and the vessel condemned, broken up, and sold. Such part of her cargo as received no damage, or if any, of a slight character, was then shipped on board another vessel, viz. the schooner Jasper, bound to New York and consigned to order. Information having reached here of the loss of the Harp, which together with the cargo had been insured in the Ocean Office, Boston, they were abandoned by the plaintiff to the underwriters. As soon as the Jasper reached this city, which was not until April, 1837, the defendant, being the owner thereof, claimed the cargo in payment for the freight. It appeared that on the arrival of the Jasper the bill of lading was taken to the custom-house, and the entry made by the defendant, and that the usual bonds were given by him to the amount of \$886 20 for the whole of the freight, including that part of the cargo owned by Messrs. Howland and Aspinwall. The plaintiff claimed to be the owner of the molasses in question, on the ground that he had paid the freight, and refused to give up his title to it unless the freight was first paid him. It also appeared from the testimony of one of the witnesses, an assurance broker of Wall street, that the plaintiff told him he had come on here to act for the underwriters, to whom the vessel and cargo had been abandoned, and that the plaintiff had a bill of lading and invoice of the cargo, endorsed by John N. Gossler, of the house of Thomas Wilson & Co.; and that a draft on that house by the shipping firm at Bahia had been paid by him. Of the 25,200 gallons of molasses originally shipped, only 14,000 gallons reached here, the balance having been lost on the voyage. The defendant claimed freight on the 25,200 gallons, which claim was resisted by the plaintiff on the ground that it had not been earned, but offered to pay in proportion to the amount of cargo that had arrived here. Messrs. Minturn & Co. were applied to on the landing of the molasses here, on the 28th of April, to, and did, sell the same, but neglected to proclaim, as requested by the plaintiff, that the defendant had no right to sell the same, he not being the owner. On the same day, the sheriff, under a writ issued at the suit of the plaintiff, took possession thereof. The plaintiff proved a tender to the defendant of \$900, in payment for the freight and all other expenses—the endorsement on the bill of lading—the policy of insurance, dated January 12th, 1836; and here closed his case.

For the defence it was contended that the defendant had a right to claim the full amount of freight, on the ground that the words “not answerable for leakage” were endorsed on the bill of lading, and that at the time the suit commenced, the molasses was in the possession of a Mr. Thompson, the purchaser at the auction sale, and not in that of the defendant.

It appeared from the testimony of Captain Welsh, who was called for the defence, that six or eight of the casks entirely leaked out, and that a great quantity was lost in landing it at St. Thomas, by the bursting of the heads of the casks; other of the casks that had leaked but partially were filled

up, and it was probable that some of the molasses shipped to Messrs. Howland and Aspinwall might have been used in this operation.

The sale here by the Messrs. Minturn was made under the direction of the Port Wardens. The plaintiff was served with a notice that the sale would take place unless the freight and expenses were paid. After the sale to Thompson, he employed a cartman to remove the molasses, and had removed two casks, and was removing a third, when the sheriff interfered and took possession of the balance. The court charged the jury at great length, chiefly on points of law, and directed them to find specially.

The jury found for the plaintiff, and specially that the purchaser (Thompson) did not take possession of the molasses at the sale. For the plaintiff, E. Griffin, sen. For the defence, H. Ketcham.

TARIFF DUTIES, ETC.

TWIST NOT LIABLE TO THE PAYMENT OF DUTY.—In the United States Circuit Court, before Judge Betts, the case of *Samuel F. Dorr v. Jesse Hoyt*, Collector of the port of New York, was an action brought by the plaintiff, an extensive importer of French goods, against the defendant, the collector of this port, to recover back the sum of \$88 60, being the amount of duties charged on an importation of twist.

These duties had been charged under the decision of the Comptroller of the Treasury of 1833, and the entry was made and the duties levied, as upon sewing silk, at the rate of \$2 28 per pound.

The plaintiff contended, that this particular article, twist, was not in itself silk, but that it was composed of goat or mohair and silk, and that it would not serve the same purpose as sewing silk, and that under the tariff it was provided, that articles of importation of which silk forms a component part, were free of duty; and it was farther contended, that, according to mercantile usage, twist was not sewing silk, under which class the duty had been claimed and exacted. The entry and payment of the duty, under protest, were admitted, and the plaintiff called a manufacturer of twist, who testified to the article being composed partly of goat or mohair, and partly of silk.

For the defence it was contended and appeared that, under the decision of the Comptroller of the Treasury of 1833, this article had been entered as all goods of the like kind, and classified as sewing silk by the custom-house authorities. On cross examination, however, of the defendant's witness, it came out that the component parts of the article twist, were as contended by the plaintiff.

The court said that all articles manufactured partly of silk, or of which silk was a component part, were entitled to be admitted free of duty. The custom-house department had established, as it appeared by the testimony adduced in this case, a rule which the merchants had protested against, and this was a question for the jury to pass upon.

The jury, without leaving their seats, found a verdict for the plaintiff for the amount claimed, namely, \$88 60; thus sustaining the protest of the merchants, that twist is not liable to payment of duty. For the plaintiff, Daniel Lord, Jun.; for the defendant, B. F. Butler, Esq.

FORFEITURE OF GOODS FOR UNDERVALUATION.

In the United States District Court, at the January term, 1839, a suit was instituted by the *United States v. Eight Cases of Lamps*, imported from France in June, 1838, per ship *Louis Phillip*, and consigned to Augustine Draconi.

The articles were what are called mechanical lamps, having in the inte-

rior of the lamp a machinery and movements similar to those of a clock, by which the oil is at all times so forced up to the wick, that the lamp gives a much brighter and more beautiful light than ordinary lamps. The bodies of the lamps were entered in the invoice at thirty francs each, and the suspension frames, globes, and other appendages, were all entered in the invoice at various specific prices, all of which it was alleged were 100 per cent below the appraised value and the current price of such articles, and that therefore the invoice had been fraudulently made up to defraud the revenue of the United States.

In support of these allegations, several appraisers and other *attaches* of the custom-house testified that they had examined the articles, and that the value put upon them in the invoice was from 70 to 100 per cent below their current price. But it appeared that not one of the custom-house officers who had examined the articles, had any practical knowledge of the value of or price of such articles, and had formed their opinion only from inference, founded on information they obtained from others. There were also some witnesses called who dealt in lamps, but not in the peculiar sort of lamps now in question, which have been rarely imported into this country. The witnesses could therefore decide upon their value only inferentially, and in this way they set a much higher value on some of the articles, than they had been set down in the invoice.

On the part of the claimant, witnesses were produced, who were practically acquainted with the value of such lamps, and they valued some of them below the invoice price, and others a little above it.

The Court charged the Jury. It would be necessary for them to take the invoice and the appraisement, and compare them together, and then compare these papers with the testimony, and see how far the evidence supported and upheld the invoice or the appraisement. After the Jury had done this, they would apply the facts, and draw the proper inferences.

It was necessary for the Court to lay down the principles of law by which the Jury were to be guided in giving their verdict, in order that they should know what they had to decide. It was said that the property in question had been imported in violation of the revenue laws, inasmuch as that the importer, in making out his invoice, had entered the articles at a false valuation. The question then for their inquiry was simply, was the invoice made up with intent to defraud the revenue, by charging the property under its value?

The government had given no direct evidence on the subject. It was competent for them to have shown what the articles cost the importer abroad; and if the price in the invoice was shown to be less than the purchase, this would have been direct testimony to show that the invoice was false, and if the party was to have derived advantage from it, the Jury would be necessarily called in to say that he had committed a fraud to cheat the revenue. There had been however no direct evidence given by the government, and they had endeavored to show that the market value was more than the invoice, and if that had been shown, it was ground for a fair inference that the party had bought them at the current market value, and it would be then incumbent on him to show at what price he had actually purchased them, and, if he did not so do, it would be fair for the Jury to infer that the invoice was falsely made up.

The case rested mainly on whether the invoice was charged below the fair market value. And the government had endeavored to prove this in various ways. First, they showed the value set upon it by the appraisers.

And although this was, in the first instance, *prima facie* evidence, to a certain extent, it was not, invariably, evidence of the highest character, as it was not to be supposed that the appraisers were acquainted with the value of all articles which came into this port. And in the present instance it appeared that the appraisers had never been engaged in the sale or manufacture of such articles, or had any practical knowledge of their value, and made it up only from general inquiries. And supposing that the judgment formed from such sources showed a different value to that in the invoice, still that would not be sufficient to prove a fraud. For if the market or adjudged value of the articles was not much greater than what was in the invoice, then the jury had a right to consider whether the deviations were greater than the ordinary fluctuations of the market, or what might arise from the necessities of the seller, the state of the times, or any other occurrence incidental to mercantile affairs. And if the testimony showed that the invoice was as nearly right as wrong, then it was the duty of the Jury to consider that the importer intended to act rightly towards the government, and they should not impute a fraud to him which the testimony had not clearly established.

Verdict for the claimant.

BANK CHARTER CONTRACTS BETWEEN THE STATES.

The Supreme Court of Louisiana decided, at New Orleans, in the case of the *Atchafalaya Bank v. Dawson*, that the forfeiture of bank charters by the suspension of specie payments does not accrue to individuals, or to any person or party, but to the State which gave them; and it alone can avail of forfeiture and take away the charters. That although by a clause in the charter of the Atchafalaya Bank and some others, in case of a suspension of specie payments for 90 days, the charter is *ipso facto forfeited*, yet the Bank continues to exist and can sue and be sued until the State choose to institute proceedings and take from it its charter. In other words, that bank charters are contracts between the State which grants, and the corporators or stockholders who accept and receive them.

LIABILITY OF SHIPPING AGENTS.

The case of *William H. Bentley & Co. v. Stark W. Lewis*, was an action recently brought in the Superior Court, before Judge Oakley, to recover damages for an alleged breach of contract, committed under the following circumstances:—

The plaintiffs are a mercantile firm doing business in Baltimore, and the defendant belongs to this city, and is agent for the schooner Mohican, trading between this port and Baltimore. On the 14th of March, 1837, Messrs. W. G. Bull & Co. of this city, agents for the plaintiffs, shipped on board the Mohican 50 hds. of sugar for Baltimore. The vessel being advertised to sail with immediate despatch, it was expected that the sugars would arrive out in season to sell for the then existing high prices of the article. It was afterwards learned that the vessel did not sail till after the 20th of March, and did not arrive at Baltimore till the 15th of April. The consequence was, that the shipment of the sugar, instead of fetching the "top of the market," as was anticipated, the sale was made at the full decline of the article, which made a difference in the result of some \$2 00 per hundred weight to the plaintiffs. It was to recover this difference in price that the present suit was brought. The bill of lading for the sugar was produced and admitted.

For the defence, it was contended that the voyage had been prosecuted with all due and reasonable diligence; and proof was adduced to show that after the 14th of March a storm of some ten days' duration occurred, which caused a corresponding delay in the voyage.

The jury, under a brief charge by the court, rendered a verdict for the plaintiffs of the amount claimed, with interest, viz. \$512 73. Counsel for the plaintiffs, D. Lord, jr., for the defendant, Griffin, sen.

COLLISION.

The case of *Benjamin Lowry v. The Steamer Portland*, in the United States District Court, before Judge Davis, was decided on the 22d of January, 1839. In this case, the libellant claimed to recover about \$600, for damages, sustained by the schooner *Cygnets*, of 83 tons burden, in consequence of a collision with the steamer, on the night of November 17, 1838, when passing through the passage between Thacher's Island and the Londoner—the schooner being bound from Bangor, (Maine,) to Medford, (Mass.) with a cargo of lumber, and the steamer being on her way to Portland from Boston.

It appeared that while the schooner was passing through the above-mentioned passage, steering S. S. W., with a moderate breeze from the N. N. W., those on board her discovered the *Portland* about one point on the weather bow, three or four miles distant. The schooner was then kept off about one point, and shortly afterwards another point, to the southward. The steamer was then steering a little to the eastward of N. N. E., thus bringing the schooner nearly ahead, and she was discovered by those on board the steamer, at a distance of about three-fourths of a mile in that direction. Soon after discovering the schooner, the course of the steamer was changed to the Eastward—the necessary measures taken to diminish her speed, and, when the danger of collision became imminent, the machinery was reversed so as nearly to stop her way before the two vessels came in contact.

The main question in the case was, as to who was in fault.

Judge Davis, in the course of the investigation, called in three experienced men—Benjamin Rich, William Sturgiss, and Francis Dewson—to hear the evidence, and answer certain questions to be propounded to them.

They accordingly, after hearing the evidence, delivered their opinion on the following points, to wit:

1. The general practice, both upon our coasts and elsewhere, is, that when two vessels approach each other, both having a free or fair wind, the one with the starboard tacks aboard keeps on her course, or if any change is made, she luffs, so as to pass to windward of the other, or, in other words, each vessel passes to the right.

This rule should govern vessels, too, sailing on the wind and approaching each other, when it is doubtful which is to windward; but if the vessel on the larboard tack is so far to windward that if both persist in their course, the other will strike her on the leeward side, abaft the beam, or near the stern; in such case the vessel on the starboard tack must give way, as she can do so with greater facility, and less loss of time and distance than the other. These rules are particularly intended to govern vessels approaching each other under circumstances that prevent their course and movements being readily ascertained with accuracy; for instance, in a dark night or dense fog. At other times, circumstances may render it expedient to depart from them.

2. A steamer is considered as always sailing with a fair wind, and is, therefore, bound to do whatever a sailing vessel, going free, or with a fair wind, would be required to do, under similar circumstances, in relation to any vessel she may meet.

3. There was a deviation from the common usage by those on board the schooner, in keeping her off when she should have been kept on her course or luffed. Had the schooner kept on her original course, S. S. W., she would have passed to the windward of the steamer, and no collision would have taken place.

4. The course taken by the steamer was in conformity to what may be considered the usage in such cases, and those on board of her did all they ought to have done to avoid collision.

5. The collision was the consequence of the change in the course of the schooner, which ought not to have been made in that direction.

After hearing the opinion of the referees, Judge Davis took time to consider, and yesterday he delivered his own opinion, in which he adopted substantially their views, and ordered the libel to be dismissed, but without costs.

FOREIGN WEIGHTS AND MEASURES.

[This table is extracted from the third part of Emerson's North American Arithmetic, a work of sterling merit, and one which may be referred to in every counting-room in the United States, with profit and advantage, for the thorough and able manner in which foreign weights, measures, and moneys, are laid down, and the practical questions of Exchange handled. Indeed, Kelly, the celebrated British Cambist, speaking of this work, says, "no man who has any trade in the United States should be without it," and the commerce of our country being so extensive with the old world, the remark is equally applicable to us. As a knowledge of foreign weights and measures is of great practical importance to our merchants, and not uninteresting to the general reader, we have concluded to give the table entire, as it appeared, originally, in Mr. Emerson's Arithmetic, trusting that, although secured by copy-right, he will excuse us, in consideration of our motive, and that he will not consider us as the "long, low, black schooner," carrying away his "figure-head."]

The weights and measures of GREAT BRITAIN are the same as those of the United States, excepting the variations which relate to the gallon. In the United States, the Dry gallon contains $268\frac{3}{4}$ cubic inches. By an act of the British government, however, the distinction between the Dry, Wine, and Beer gallon, was abolished in Great Britain, in 1826, and an *Imperial Gallon* was established, as well for liquids as for dry substances. The Imperial gallon must contain "10 pounds, Avoirdupois weight, of distilled water, weighed in air, at the temperature of 62° of Fahrenheit's thermometer, the barometer standing at 30 inches." This quantity of water will be found to measure 277.274 cubic inches. The same act establishes the *pound Troy* at 5,760 grains, and the *pound Avoirdupois* at 7,000 grains.

The weights and measures of FRANCE, being more nicely adjusted than those of any other country, will be here given the more fully on that account. It is, however, to be observed, that these weights and measures are according to a *new system*, not yet in very common use.

The fundamental standard adopted in France for the metrical system of weights and measures, is a quadrant of the meridian; that is to say,

the distance from the equator to the north pole. This quadrant is divided into ten millions of equal parts, and one of these equal parts is called the METRE, which is adopted as the unit of length, and from which, by decimal multiplication and division, all other measures are derived.

In order to express the decimal proportions, the following vocabulary of names has been adopted.

For multipliers,			
the word	<i>Deca</i>	prefixed, means	10 times.
"	<i>Hecto</i>	" "	100 times.
"	<i>Chilo</i>	" "	1000 times.
"	<i>Myria</i>	" "	10000 times.

For divisors,			
the word	<i>Deci</i>	prefixed, expresses the	10th part.
"	<i>Centi</i>	" "	100th part.
"	<i>Milli</i>	" "	1000th part.

It may assist the memory to observe, that the terms for multiplying are Greek, and those for dividing, Latin.

Thus, *Deca-metre* means 10 Metres.

Deci-metre " 10th part of a Metre.

Hecto-metre " 100 Metres.

Centi-metre " 100th part of a Metre, etc.

FRENCH LONG MEASURE.

The *Metre*, which is the unit of long measure, is equal to 39.371 English inches.

10 milli-metres	- -	= 1 centi-metre,
10 centi-metres	- -	= 1 deci-metre,
10 deci-metres	- -	= 1 METRE,
10 Metres	- -	= 1 deca-metre,
10 deca-metres	- -	= 1 hecto-metre,
10 hecto-metres	- -	= 1 chilo-metre,
10 chilo-metres	- -	= 1 myria-metre.

FRENCH SQUARE MEASURE.

The *Are*, which is a square deca-metre, (or 100 square Metres,) is the unit of square or superficial measure, and is equal to 3.953 English square rods.

10 milliares	- -	= 1 centiare.
10 centiares	- -	= 1 deciare.
10 deciares	- -	= 1 ARE.
10 Ares	- -	= 1 decare.
10 decares	- -	= 1 hectare.
10 hectares	- -	= 1 chilare.
10 chilares	- -	= 1 myriare.

FRENCH MEASURES OF CAPACITY.

The *Litre*, which is the cube of a decimetre, is the unit of all liquid measures, and of all other measures of capacity. The Litre is equal to 61.028 English cubic inches.

10 millilitres - - = 1 centilitre.

10 centilitres - - = 1 decilitre.

10 decilitres	- -	= 1 LITRE.
10 Litres	- -	= 1 decalitre.
10 decalitres	- -	= 1 hectolitre.
10 hectolitres	- -	= 1 chilolitre.
10 chilolitres	- -	= 1 myrialitre.

FRENCH SOLID MEASURE.

The *Stere*, which is a cube of the metre, is the unit of solid measure, that is used for fire-wood, stone, &c. The Stere is equal to 35.31714 English cubic feet; it is the same as the chilolitre in measures of capacity.

10 decisteres	- -	= 1 STERE.
10 Steres	- -	= 1 decastere.

FRENCH WEIGHTS.

The *Gramme*, which is the weight of a cubic centimetre of distilled water of the temperature of melting ice, is the unit of all weights. The Gramme is equal to 15.434 grains Troy,

	=	Grains Troy.
A milligramme is 1000th part of a gramme,	=	0.0154
A centigramme is 100th part of a gramme,	=	0.1543
A decigramme is 10th part of a gramme,	=	1.5434
A GRAMME	=	15.4340
A decagramme is 10 grammes,	=	154.3400
A hectogramme is 100 grammes,	=	1543.4000
A chilogramme is 1000 grammes,	=	15434.0000
A myriagramme is 10000 grammes,	=	154340.0000

All the preceding French weights and measures are deduced from some decimal proportion of the *metre*. Thus, the chilogramme corresponds with the contents of a cubic vessel of pure water at the lowest temperature, the side of which vessel is the *tenth* part of the metre, (the decimetre,) and the gramme answers to the like contents of a cubic vessel, the side of which is the *hundredth* part of the metre, (the centimetre;) for the contents of all cubic vessels are to each other in the triplicate ratio of their sides.

100 lb. of HAMBURGH	= 106.8 lb. avoirdupois.
The shipfund is 280 lb.	= 299 lb. avoirdupois.
1 foot, Hamburg	= 11.289 inches, U. S.
The Hamburg ell is 2 feet	= 22.578 inches, U. S.
The Hamburg mile	= 4.684 miles, U. S.
The fass of Hamburg	= 1.494 bushels of U. S.
The last of grain is 60 fasses	= 89.64 bushels of U. S.
The ahm of Hamburg	= 38.25 gallons, U. S.
100 lb. of AMSTERDAM	= 108.93 lb. avoirdupois.
4 shipfunds is 1 ship-pound	= 326.79 lb. avoirdupois.
The Amsterdam last	= 85.248 bushels, U. S.
The Aam (liquid)	= 41 gallons, U. S.
The Amsterdam foot	= 11.147 inches, U. S.
The ell of Amsterdam	= 27.0797 inches, U. S.
The ell of the Hague	= 27.333 inches, U. S.
The ell of Brabant	= 27.585 inches, U. S.
100 lb. of PORTUGAL	= 101.19 lb. avoirdupois.
An arroba is 32 pounds	= 32.38 lb. avoirdupois.
The moyo, a dry measure	= 23.03 bushels, U. S.
The almude, a liquid measure	= 4.37 gallons, U. S.
The pe, or foot, long measure	= 12.944 inches, U. S.
The palmo, or standard span	= 8.64 inches, U. S.
The vara is 5 palmos	= 43.2 inches, U. S.

The Portuguese mile	= 1.25 mile, U. S.
100 lb. of SPAIN	= 101.44 lb. avoirdupois.
The arroba of wine	= 4.245 gallons, U. S.
The fanega, 1-12 of a cahiz	= 1.599 bushels, U. S.
The Spanish standard foot	= 11.128 inches, U. S.
The vara, a cloth measure	= 33.384 inches, U. S.
The legua or league	= 4.291 miles, U. S.
100 lb. victualie, of SWEDEN	= 93.76 lb. avoirdupois.
The Swedish foot	= 11.684 inches, U. S.
The Swedish ell is 2 feet	= 23.368 inches, U. S.
The Swedish mile	= 6.64 miles, U. S.
The kann, (both dry and liquid)	= 159 $\frac{1}{2}$ cubic inches, U. S.
100 kanns	= 69.09 gallons wine, U. S.
100 kanns	= 7.42 bushels, U. S.
100 lb. of RUSSIA	= 90.26 lb. avoirdupois.
400 lb. make 1 berquit	= 361.04 lb. avoirdupois.
A pood is 40 lb. Russian	= 36.1054 lb. avoirdupois.
A chetwert, a dry measure	= 5.952 bushels, U. S.
The vedro, a liquid measure	= 3.246 gallons, U. S.
The Russian inch	= 1 inch, U. S.
The Russian foot	= 13.75 inches, U. S.
The arsheen, a cloth measure	= 28 inches, U. S.
The sachine, or fathom	= 7 feet, U. S.
A werst, or Russian mile	= 3500 feet, U. S.
100 lb. of PRUSSIA	= 103.11 lb. avoirdupois.
The quintal is 110 lb.	= 113.421 lb. avoirdupois.
The scheffel, a dry measure	= 1.5594 bushel, U. S.
The eimer, a liquid measure	= 18.14 gallons, U. S.
The Prussian foot	= 12.356 inches, U. S.
The Prussian ell	= 26.256 inches, U. S.
The Prussian mile	= 4.68 miles, U. S.
100 lb. DENMARK	= 110.28 lb. avoirdupois.
The centner is 100 lb.	= 110.28 lb. avoirdupois.
The shippond is 320 lb.	= 352.896 lb.
The bbl. or toende, a dry measure	= 3.9472 bushels, U. S.
The viertel, a liquid measure	= 2.041 gallons, U. S.
The Danish or Rhineland foot	= 12.356 inches, U. S.
The Danish ell is 2 feet	= 24.712 inches, U. S.
The Danish mile	= 4.684 miles, U. S.
A cantaro grosso, NAPLES	= 196.5 lb. avoirdupois.
The cantaro piccolo	= 106 lb. avoirdupois.
The tomolo, a dry measure	= 1.451 bushels, U. S.
The carro is 36 tomoli	= 52.236 bushels, U. S.
The barile, a liquid measure	= 11 gallons, U. S.
The carro of wine is 24 barili	= 264 gallons, U. S.
The palmo, long measure	= 10.38 inches, U. S.
The canna is 8 palmi	= 83.04 inches, U. S.
100 lb. or libras, SICILY	= 70 lb. avoirdupois.
The cantaro grosso	= 192.5 lb. avoirdupois.
The cantaro sottile	= 175 lb. avoirdupois.
The salma grossa, a dry measure	= 9.77 bushels, U. S.
The salma generale	= 7.85 bushels, U. S.
The salma, a liquid measure	= 23.06 gallons, U. S.
The palmo, long measure	= 9.5 inches, U. S.
The canna is 8 palmi	= 76 inches, U. S.
100 lb. of LEGHORN	= 75 lb. avoirdupois.
The sacco, a dry measure	= 2 1-16 bushels, U. S.
The barile, a liquid measure	= 12 gallons, U. S.
155 braccia, cloth measure	= 100 yards, U. S.
The canna of 4 braccia	= 93 inches, U. S.
100 lb. peso grosso of GENOA	= 76.875 lb. avoirdupois.
100 lb. peso sottile	= 69.89 lb. avoirdupois.
The mina, a dry measure	= 3.426 bushels, U. S.
The mezzarola, a liquid measure	= 39.22 gallons, U. S.

The palmo, long measure	= 9.725 inches, U. S.
The braccio is 24 palmi	= 22.692 inches, U. S.
100 lb. peso grosso, VENICE	= 105.18 lb. avoirdupois.
100 lb. peso sottile	= 66.4 lb. avoirdupois.
The stajo, a dry measure	= 2.27 bushels, U. S.
The maggio is 4 staja	= 9.08 bushels, U. S.
The bigoncia, liquid measure	= 34.2375 gallons, U. S.
The anfora is 4 bigonzi	= 136.95 gallons, U. S.
The braccio for woollens	= 26.61 inches, U. S.
The braccio for silks	= 24.8 inches, U. S.
The Venetian foot	= 13.68 inches, U. S.
100 lb. of TRIESTE	= 123.6 lb. avoirdupois.
The stajo, dry measure	= 2.344 bushels, U. S.
The orna, or eimer, liquid	= 14.94 gallons, U. S.
The ell for woollens	= 26.6 inches, U. S.
The ell for silks	= 25.2 inches, U. S.
The Austrian mile	= 4.6 miles, U. S.
100 lb. or libras, ROME	= 74.77 lb. avoirdupois.
The rubbio, dry measure	= 8.356 bushels, U. S.
The barile, liquid measure	= 15.409 gallons, U. S.
The Roman foot	= 11.72 inches, U. S.
The mercantile canna	= 78.34 inches, U. S.
The Roman mile	= 7.4 furlongs, U. S.
100 lb. or 100 rottoli, MALTA	= 174.5 lb. avoirdupois.
The salma, dry measure	= 8.221 bushels, U. S.
The foot of Malta	= 11 1-6 inches, U. S.
The canna is 8 palmi	= 81.9 inches, U. S.
The cantaro, kintal, SMYRNA	= 129.48 lb. avoirdupois.
The oke or oka	= 2.833 lb. avoirdupois.
The killow, dry measure	= 1.456 bushels, U. S.
The pic, long measure	= 27 inches, U. S.
A factory maund of BENGAL	= 74½ lb. avoirdupois.
A bazar maund	= 82 2-15 lb. avoirdupois.
The haut or cubit	= 18 inches, U. S.
The guz	= 1 yard, U. S.
The coss or mile	= 1.238 miles, U. S.
The maund of BOMBAY	= 28 lb. avoirdupois.
The candy is 20 maunds	= 560 lb. avoirdupois.
A bag of rice weighs 6 maunds	= 168 lb. avoirdupois.
The candy, dry measure	= 25 bushels, U. S.
The haut or covid	= 18 inches, U. S.
The maund of MADRAS	= 25 lb. avoirdupois.
The candy is 20 maunds	= 500 lb. avoirdupois.
The baruay, a Malabar weight	= 482.25 lb. avoirdupois.
The garee, dry measure	= 140 bushels, U. S.
The covid, long measure	= 18 inches, U. S.
The pecul of CANTON	= 133½ lb. avoirdupois.
The catty is 100th part of a pecul	= 1.333 lb. avoirdupois.
The covid or cobre, long measure	= 14.625 inches, U. S.
The pecul of JAPAN	= 130 lb. avoirdupois.
The catti is 100th part of a pecul	= 1.3 lb. avoirdupois.
The inc or tattamy, long measure	= 6.25 feet, U. S.
The bahar of BENCŒOLEN	= 560 lb. avoirdupois.
The bamboo, liquid measure	= 1 gallon, U. S.
The coyang is 800 bamboos	= 800 gallons, U. S.
The bahar of ACHEEN	= 423.425 lb. avoirdupois.
The maund of rice	= 75 lb. avoirdupois.
The loxa of betel nuts	= 10,000 nuts.
The loxa of nuts (when good)	= 168 lb. avoirdupois.
The pecul of BATAVIA	= 135 10-16 lb. avoirdupois.
33 kannes, liquid measure	= 13 gallons, U. S.
The ell, long measure	= 27 inches, U. S.
The candy of COLOMBO	= 500 lb. avoirdupois.

 NAVIGATION.

RECKLESSNESS OF HUMAN LIFE.

Recklessness of life has been said to be a characteristic of the American people—a bold assertion, which we would fain discredit, but in all candor and honesty we cannot. So grave, so serious a charge, should be repelled at once, if it can be, and the escutcheon of our country cleansed of so foul a stain. Human life is not a thing to play chuck-farthing with, or to hazard idly: it is the property of the Omnipotent, entrusted to mankind for a great purpose, and he who rashly or recklessly perils it, games with what is not his own. The suicide defrauds his Creator, and his sacrificed existence is a solemn trust betrayed.

But infinitely greater is his turpitude, who is wantonly, and without reason, accessory to the loss of the lives of others! This consideration seldom occurs to a majority of our citizens, if the occurrence of so many maimings and murders by duels, quarrels, steamboat explosions, shipwrecks, &c. is the criterion by which we may judge. Must we not infer from this, that the public feeling in this country has become callous to the appalling frequency of careless, and too often wanton, destruction of life, fresh accounts of which daily teem in our public journals? The faculties of wonder and of horror seem to have grown hardened and impenetrable with our people, and we look with equal indifference upon a mercantile failure, a shipwreck, or a steamboat explosion, unless personally interested in the event.

That this morbid state of feeling is morally wrong, no one can doubt, and it must be a matter of the deepest regret to the philanthropist and Christian. So long as this hardened feeling possesses us, just so long will our country be retarded in its progress to civilization.

Carelessness of human life is an insult to the God who gave it. And is there no way to stop the red and swelling current of murder which is gaining strength every day? (for surely all loss of life is murder, where there is an easy and available preventive.) Shall commanders of steamboats and sailing ships be allowed to make their voyages with unnecessary peril? Shall not every possible effort be used to ensure safety to the lives entrusted to their care?

We have been induced to make these remarks, by the fact that there is a culpable neglect on the part of a majority of our ship-owners, to avail themselves of the labors of an American citizen, who has brought to perfection an invention, which, taking everything into consideration, is scarcely second to that of the immortal Fulton—we mean the lifeboat of Francis.

How frequently do we read the most distressing accounts of shipwrecks, and the sad tale of human life suddenly swept away, in many cases accompanied by the too often repeated remark, that from two to twenty men "were drowned by the swamping of the boat."

When it has been ascertained that the master or owner of a vessel have committed felony by wilfully wrecking such vessel in order to defraud the underwriters, we all know the odium which is ever after attached to such person's name. And the very men who look with holy horror upon such an act, will, voyage after voyage, send their ships to sea, with boats which are wholly unfit for any useful purpose in case of emergency; thus perilling, for the saving of a few dollars, the invaluable lives of the crew.

It would be easy to adduce multitudes of reasons why these superior life-preservers should be adopted by every vessel in the navy and merchant service of our country; as they have already been eulogized and patronized by several foreign governments. But we only intend, by this article, simply to direct attention to the subject, and trust that those who have the management of our forests of ships, will no longer wickedly trifle with the lives of those who are accidentally or from necessity temporarily placed in their power.

In conclusion, we put this simple question to every ship-owner and master in the country, "Have you a single long-boat under your control in which you would be willing to place *your* wife or children, and start them, even in fine weather, from New York for Sandy Hook?" We know that in 49 cases in 50, the answer would be, "No."

 MARCH OF STEAM.

In 1814, but one steamboat, of sixty-nine tons burthen, floated in solitude on the British waters. Now there are about six hundred, with a tonnage of 67,969. The first steamboat used for practical purposes in our country, or indeed in any part of the world,

was in 1807, on the Hudson river. She was built by Fulton, and called the "North River," with an engine of only eighteen horse power, and made the passage between New York and Albany in thirty-six hours. The whole number of steamboats ascertained and estimated to be now in the United States, is nearly nine hundred. The following table we have compiled from a statement of the Liverpool Statistical Society, published in the Liverpool Mail. It exhibits the number and increase of steam vessels belonging to the British Empire, (including the plantations,) from 1814 to 1836 inclusive.

Year.	No. Vessels.	Tonnage.	Year.	No. Vessels.	Tonnage.
1814	2	456	1826	243	28,958
1815	10	1,633	1827	275	32,490
1816	15	2,612	1828	293	32,032
1817	19	3,950	1829	304	32,263
1818	27	6,441	1830	315	33,444
1819	32	6,657	1831	347	37,445
1820	43	7,243	1832	380	41,669
1821	69	10,534	1833	415	45,017
1822	96	13,125	1834	462	50,736
1823	111	14,153	1835	538	60,520
1824	126	25,739	1836	600	67,969
1825	168	20,287			

PATENT SHEATHING.

A new kind of sheathing has been invented in England, and the manufacture of it commenced on an extensive scale. We find the following article relative to its manufacture, and the advantages of it, in an English paper:—

"We feel bound to acknowledge the polite attention and the readiness to furnish information evinced by Mr. G. F. Muntz, (the patentee,) on the occasion of our visit, and although from the nature of the manufacture it is simple in its details, the advantages must be so apparent to the ship-owner, that any remarks we may make cannot be otherwise than acceptable to that wealthy and important class. The use of zinc is not only 'progressing,' but is likely to compete in the proportion of 40 to 60 with copper in the sheathing of vessels. The works are situated within a mile of the town of Swansea, immediately in the neighborhood of the copper works, and are at present capable of manufacturing a considerable quantity of sheathing and bolts—there being four pair of rollers, with the machinery necessary for drawing rods, worked by an engine of 54½ inch cylinder, 8½ feet stroke. The metal is a combination of copper and zinc, the best admixture being found to be 60 per cent. of the former and 40 per cent. of the latter. The metal is delivered on the works, and is then submitted in these proportions to the action of a reverberatory furnace, or melted in pots, from which it is cast in plates or bars, according to the object for which the metal is required, whether 'bolts' or 'sheathing.' It is subsequently submitted to heat, and when, as it appeared to us, of a 'cherry red,' is worked in the cylinder of rollers, or drawn out in rods. The process is in itself exceedingly simple, and affords little novelty to any one accustomed to the manufacture of iron.

"Many opinions have been advanced, and doubts expressed, of the advantages (if any) which this metal possessed, while its ductility was questioned, and its permanence only admitted when it had been submitted to the test of some years application.

"It is satisfactory to find that the results have fully realized the sanguine expectations of the patentee; one vessel having made three voyages to India without repairs being required, and another having been sheathed for the past five years with the 'yellow metal,' and now in good condition; while in the port of Swansea, at the present time, two Hamburg vessels, the Kate and Anna Louise, have adopted it. In the instance of the Kate, we take the words of the owner—'He has effected a saving on a 400 ton vessel of full £80;' the difference in the price of copper and Muntz's (or yellow) metal sheathing, being three half pence per pound less, and the difference in the specific gravity eight to nine per cent. With respect to the bolts, we have it on the statements of the shipwrights employed, that they are far superior in driving to those of copper, as possessing more tenacity and firmness. Such are the advantages of the combination of the two metals—copper and zinc; and we may, therefore, hope, that with these advances in metallurgical science, we shall, whatever may be the influx of copper ores from foreign climes, be able still to look at home for our supply of mineral, which shall furnish employment to the population in our mining districts, but yield, as it has heretofore done, so considerable a proportion of our national wealth."

BETHELL'S PATENT DIVING APPARATUS.

The Bermuda Royal Gazette makes mention of the examination of the bottom, &c. of the American brig Exchange, Captain Brayton, which got on the rocks to the northward of the Bermudas. The machine used was "Bethell's Patent Diving Apparatus," and the singularity of the invention attracted crowds of persons to witness its operation.

The person who went down in the apparatus was a shipwright of the name of Prattant — Mr. B. Oakshott, foreman of shipwrights of Her Majesty's Dock-Yard, Ireland Island, superintending. The attention of such of the spectators as were near the vessel was first directed to the clothing of the diver, who, when perfectly equipped for his submarine exploration, presented a most grotesque figure. He was encased in a double or treble suit of woollens, from his shoulders down to, and including, his feet, to preserve warmth; then came a pair of trowsers that covered his feet, and a jacket, the sleeves of which came tight to his wrists, made of India rubber, the trowsers and jacket being secured firmly around the waist by a padded iron girdle; on his feet were a pair of boots, each weighing eight pounds; on his back and breast he had two weights of about thirty pounds each, secured by straps; and over his head was a large helmet, made of metal, and resembling somewhat a human bust, that rested on his shoulders, back and chest, and which afforded room within for a sufficient quantity of air. In the helmet there were glasses through which the diver could plainly discern any thing at the bottom of the sea; a tube through which a constant supply of fresh air was received from above, and by which the used air escaped. There was a large boat in attendance, in which were the force pump, and a derrick, (the latter of which being used to lift the diver from the bottom of the sea, for his own weight, and that put on him to keep him down, brought him to weigh about three hundred pounds,) while Mr. Oakshott and his assistants kept as nearly over the diver as possible, ready in case of accident to bring him up, which is done by a line attached to the girdle, and rove through the derrick; by this line, also, signs are made by the diver, "when all is right," when more air is required, and when he wishes to be brought up.

Prattant was lowered down under the stern of the brig, on the starboard side, in about fourteen feet of water, where he commenced his examination; after being about twenty minutes under water, he was taken up from the larboard side under the stern; having completed his survey, the boat in attendance having tracked him round the vessel. Prattant then, through the superintendent, Mr. Oakshott, reported to the surveyors and agents of the vessel, in substance as follows:—the bottom and main keel perfect; the false keel slightly ragged on the edges, and one piece of sheathing, of about eight feet, off the larboard side of the false keel.

Prattant, it is said, can remain under water, should occasion require it, for upwards of an hour; and by letting go the weights attached to his breast and back, and by putting his finger on the valve or escape pipe, he will immediately rise to the surface; this mode of raising himself, however, is only adopted in extreme cases, the best way being to wait to be hauled up by the life line, which is attached to the girdle.

THE ESTABLISHMENT OF TWO NEW LIGHT-HOUSES ON THE FRENCH COAST.

The Department of State, at Washington, has received official information of the establishment of two new Light-Houses on the French Coast of the Manche, in the British Channel, viz. :—

One at Cape Carteret, in the latitude of 49 degrees 22 minutes and 27 seconds north, and 4 degrees 8 minutes and 40 seconds longitude west from Paris. The light is a repeating light, at intervals of half a minute each, situated on a tower about 240 feet above the level of the sea, and 48 feet from the ground. It may be seen in fine weather at the distance of 18 miles; the eclipses will however be total only beyond 7 miles.

The other, on the central fort of the dyke at Cherbourg, in the latitude of 49 degrees 40 minutes and 28 seconds, and 3 degrees 57 minutes and 23 seconds longitude west from Paris; the light is a small light, varied by bright flashes, every three minutes, situated on a tower newly erected on the central fort, about 65 feet above the water at high tide. It may be seen at the distance of about nine miles in ordinary weather.

NOTICE TO MARINERS.

Custom House, St. Mary's.—*Directions for St. Andrews Bar.*—St. Andrews Inlet lies in lat. 31 north, lon. 31 32, in the state of Georgia, entrance between Cumberland and Jekyl Islands, having 11 feet water on the bar at low tide; distance from the light-house on Little Cumberland Island, north point, about 7 miles. There are three buoys for the entrance, one large buoy placed just within the bar in three fath-

oms low tide—one spar buoy on a spit of the north point of little Cumberland Island, and one spar buoy in the middle of the sound on a shoal made at the mouth of the Great Satilla river. Bring the lighthouse to bear W by N when the outer buoy will be in a range with the lighthouse, and run for it till over the bar and up with the outer buoy; the south point of Jekyl will then be NW $\frac{1}{2}$ W; alter the course NW by W until between the points of Cumberland and Jekyl Islands, and abreast of the spar buoy off Cumberland point, leaving it to the south—where will be found good soundings, from three to five fathoms near the shore.

Tabular statement of the British Queen, Liverpool, and Great Western, as published in the London Morning Herald.

	British Queen.	Liverpool.	Great Western.
Extreme length	275 ft.	223 ft.	236 ft.
Length under deck	245 ft.	216 ft.	212 ft.
Length of keel	223 ft.	209 ft. 5 in.	205 ft.
Breadth within paddle boxes	37 ft. 6 in.	30 ft. 10 in.	35 ft. 4 in.
Breadth, including paddle boxes	64 ft.	36 ft. 3 in.	59 ft. 8 in.
Depth at midships	29 ft. 6 in.	19 ft. 8 in.	23 ft. 2 in.
Tonnage	1863	1499 $\frac{1}{2}$	1340
Tons of space	1053	559 $\frac{1}{2}$	679 $\frac{1}{2}$
Tonnage of engine room	963	581	641 $\frac{1}{2}$
Horse power	500	468	450
Diameter of cylinder	5 ft. 11 $\frac{1}{2}$ in.	6 ft. 3 in.	6 ft. 1 $\frac{1}{2}$ in.
Length of stroke	7 ft.	7 ft.	7 ft.
Diameter of paddle wheels	30 ft.	28 ft. 5 in.	28 ft. 9 in.
Extreme weight of engines, boiler, and water	500 tons.	450 tons.	480 tons.
Extreme weight of coals	600 tons.	600 tons.	600 tons.
. of cargo	500 tons.	250 tons.	250 tons.
Draught of water, with above weight and stores	16 ft.	16 ft. 6 in.	16 ft. 8 in.

COMMERCIAL REGULATIONS.

MERCANTILE REGULATIONS AT VENEZUELA.

Port Charges for Vessels arriving from the United States and other countries, established by late Laws passed by the Congress of Venezuela.

The congress of Venezuela passed, 3d of May, 1839, a law establishing the following port charges, which is now in operation:

Article 1st. All national or foreign vessels arriving from foreign ports into the ports of Venezuela, will pay,

First—Tonnage-duty at the rate of 37 $\frac{1}{2}$ cents for every ton of the vessel's admeasurement.

Second—Captain of the port's fee, which is \$3.

Third—Entry 7 cents per ton. (In the port of Laguira, besides the 7 cents per ton, 2 per cent. calculated on the amount of duties on imports will be exacted.)

Fourth—Doctor's fee, when the visit by him is really made, \$3.

Fifth—Anchorage duty 18 cents per ton.

Sixth—Pilotage to Angostura and Maracaybo, \$6 for every foot of the vessel's draught of water.

Seventh—Water duty—12 cents per ton.

Eighth—Clearance \$2.

Vessels exempt from the above are:

Vessels of war, national or foreign, government packets, and mail boats.

Vessels coming into port in consequence of damage sustained at sea, provided they neither discharge or take in cargo.

Vessels forced in by stress of weather, without discharging or taking in cargo.

Vessels arriving in ballast and departing in ballast.

Vessels coming in loaded and sailing again without discharging or taking in any cargo.

Vessels arriving in ballast and departing with cargoes of horned cattle (Gonado Vacuno) exclusively, will pay but pilotage and doctor's fee.

B. RENSHAW, Consul.

LAGUIRA, May 25th, 1839.

A law of the congress of Venezuela, passed on the 10th of May, 1839, to go into operation for vessels from the Antilles, on the 1st of July, and for vessels from Europe, and the United States, on the 1st of October, 1839.

Article 1st. Vessels arriving from foreign ports will, at the moment of anchoring in any of the ports of Venezuela, open to external commerce, be visited by the collector of customs, or a person authorized by him, and by the commandant of active service, (Resguardo,) and a chief, (Cabe,) as likewise an inspector — they will require from the master, the vessel's register and manifest of the cargo, which must express the vessel's name and class; her nation; tonnage; master's name; port from whence her cargo was shipped; the number and description of packages contained in her cargo, with a specification of their numbers and marks; the names of the consignees, according to bills of lading; the port of her destination; a list of provisions or stores for the consumption of the crew, as also a list of the extra supply of sail, sail-cloth, cordage, spars and tackle of every description, intended for the use of the vessel. If a vessel arrive with cargo, one or more custom-house officers will be left on board: should she be in ballast, no manifest will be required, but all the other documents mentioned must be given up; she will also be examined to ascertain the reality of her being in ballast.

The articles of extra supply of sails, sail-cloth, cordage, masts or spars, and tackle of every description, intended for the use of the vessel, must be considered as a deposit, and the master will not be permitted to make any use of them whatever, during the vessel's stay in port, unless with the knowledge and consent of the chiefs of the custom-house. When a vessel is visited previous to her commencing to take in a cargo, should the above-mentioned articles of extra supply be found not to agree with the manifest or entry, (or at any other time subsequent to such visit,) the master will incur a fine of from fifty to five hundred dollars.

Article 2d. If, on a vessel anchoring and being visited, the master do not exhibit his manifest in the form directed in article 1st, he will then be required to deliver the bills of lading, as also a list of whatever articles or goods there may be on board, not included in said bills of lading, and these documents will be retained at the custom-house until the master make out and present a manifest in conformity with them, until which is done, no part of the cargo will be permitted to be landed.

Article 3d. In the case where neither manifest or bills of lading are found on board a vessel, the chiefs of the custom-house will then take such steps as in their judgment may seem necessary, and at the expense of the master, to prevent any part of the cargo being landed without permission from them.

Article 4th. When the cargo on board of any vessel does not agree with the manifest or bills of lading presented by the master, it will be seized and proceeded against for condemnation.

Article 5th. When in the case of a master of a vessel being unable, from insolvency, or other reason whatever, to pay the fine and expenses he may have incurred according to this law, the vessel and her tackle will then be made responsible for its payment.

B. RENSHAW, Consul.

LAGUIRA, May 25th, 1839.

CONSULATE U. S. A. }

ST. JOHNS, PORTO RICO, June 18, 1839. }

The undersigned, Consul of the United States for the port and district of St. Johns, Porto Rico, hereby cautions American captains and others engaged in trading to Spanish ports, to be careful in shipping on board of their vessels natives of Spain or its dependencies, without the consent of the resident Spanish authorities, or unless they are naturalized citizens of the United States, as by so doing they render themselves liable to gross imposition.

The laws of Spain are such as not only to enforce, but make it obligatory upon the marine authorities to demand and enforce the discharge of all such persons, without any reference whatever to their individual obligations.

Vessels trading to these Islands via St. Thomas, are most liable to these impositions, and consequently to inconvenience and loss.

JOHN O. BRADFORD.

BANK STATISTICS.

CONDITION OF THE STATE BANKS.—In compliance with the resolution of Congress of the 10th of July, 1832, directing the Secretary of the Treasury (to whom we are indebted for a copy of the report) to lay before the House at the next and each successive session of Congress, copies of such statements or returns, showing the capital, circulation, discounts, specie, deposits, and condition of the different State Banks and Banking Companies, as may have been communicated to the legislatures, governors, or other officers of the several states, within the year, and made public; and, where such statements cannot be obtained, such other authentic information as will best supply the deficiency. The Secretary of the Treasury submitted, at the last session, a formidable volume of documentary matter, embracing the returns, reports, &c., from all the states and territories, except Connecticut, New Jersey, Delaware, Illinois, and Florida. They are not, in every instance, complete, but as a whole comprise much valuable information.

Condensed Statement of the condition, at different intervals, of all the Banks in the United States.

Date.	No. of Banks.	Loans and Discounts.	Specie.	Circulation.	Deposites.	Capital.
Jan. 1811	89	.. ..	\$15,400,000	\$28,100,000	.. ..	\$52,601,601
1815	208	.. ..	17,000,000	45,500,000	.. ..	82,259,590
1816	246	.. ..	19,000,000	68,000,000	.. ..	89,822,422
1820	308	.. ..	19,820,240	44,863,344	\$35,950,470	137,110,611
1830	330	\$200,451,214	22,114,917	61,323,898	55,559,928	145,192,268
1834	506	324,119,499	.. ..	94,839,570	75,666,986	200,005,944
1835	558	146 365,163,834	43,937,625	103,692,495	83,081,365	231,250,337
1836	567	146 457,506,080	40,019,594	140,301,038	115,104,440	251,875,292
1837	634	154 525,115,702	37,915,340	149,185,890	127,397,185	290,772,091
1838	663	485,631,687	35,184,112	116,138,910	84,691,184	317,636,778

Statement of the condition of such Banks as have made returns, dated near May, 1838.

State or Territory.	Date.	No. of Banks & Branches.	Capital.	Loans and Discounts.	Real Est.	Due by other Banks.
Maine	June 2	50	\$4,984,000	\$6,549,182	\$128,154	\$367,392
New Hampshire	April 1	27	2,839,500	4,117,403	82,063	467,701
Massachusetts	Febru'y	124	27,180,000	52,999,967	1,100,606	4,037,618
Rhode Island	May 11	62	9,852,353	12,612,721	.. ..	604,631
Connecticut	March	34	8,754,467	9,769,286	194,097	730,283
New York	May 1	96	36,401,460	57,903,043	2,383,828	14,331,663
Pennsylvania	May	48	24,812,856	38,306,545	1,854,765	9,779,401
Maryland	May 1	24	11,209,354	15,231,494	506,422	3,231,636
Virginia	July	23	7,038,716	14,781,313	616,126	1,782,499
North Carolina	Febru'y	10	2,980,640	4,571,328	127,424	878,308
South Carolina	May	13	8,952,343	16,443,403	275,934	1,344,605
Georgia	April	36	12,036,748	15,768,683	2,358,781	2,115,629
Alabama	March	6	8,417,732	25,374,340	161,968	1,528,511
Louisiana	March	47	39,523,693	52,058,084	7,837,546	1,355,165
Arkansas	July	3	428,000	689,264	5,267	7,493
Tennessee	July	14	5,338,259	9,966,430	97,469	1,092,798
Missouri	May 12	2	745,270	1,090,690	42,906	29,911
Ohio	June 1	..	9,835,199	14,968,675	361,160	2,807,976
United States Bank	May	16	35,000,000	45,715,320	1,507,973	2,750,136
		635	266,333,590	398,917,081	19,642,489	49,243,356

Total, Stocks. \$23,614,475—Total, other Investments, \$21,383,316.

Statement dated near May, 1838.—(Continued.)

State or Territory.	Date.	Banks & Branches.	Notes of other banks	Specie.	Circulation.	Deposites.	Due to other Banks.
Maine	June 2	50	\$113,988	\$271,981	\$1,177,555	\$517,353	\$278,985
N. Hampshire	April 1	27	107,398	153,267	1,026,547	424,793	.. . . .
Massachusetts.	Febr'y	124	2,700,275	1,701,460	11,543,354	5,436,530	4,534,813
Rhode Island	May 11	62	447,807	474,278	2,154,524	675,317	650,667
Connecticut	Mar. 31	34	250,775	535,447	1,920,552	869,801	224,378
New York	May 1	96	7,327,834	9,355,495	12,960,652	18,411,860	14,307,517
Pennsylvania	May	48	3,576,984	3,956,835	12,332,418	10,607,671	7,672,949
Maryland	May 1	24	1,295,177	1,453,074	3,008,726	4,008,925	3,465,450
Virginia	July	23	847,669	1,736,404	7,133,200	2,825,833	547,990
N. Carolina	Febr'y	10	177,763	705,389	2,267,793	756,591	187,774
S. Carolina	May	13	911,047	1,606,293	5,080,073	3,306,812	1,398,282
Georgia	April	36	2,512,048	2,659,723	7,459,563	2,789,675	2,414,223
Alabama	March	6	534,605	786,250	9,333,302	4,296,554	1,624,839
Louisiana	March	47	4,410,333	2,970,723	4,734,739	8,021,137	10,591,600
Arkansas	July	3	38,790	241,922	7,785	140,310	.. . . .
Tennessee	July	14	317,035	563,718	2,318,145	1,184,262	332,082
Missouri	May 12	2	313,840	748,593	128,500	749,365	287,002
Ohio	June 1	..	1,145,281	2,879,209	6,340,947	2,848,464	624,501
U. S. Bank	May	16	1,611,073	4,409,330	6,451,605	4,414,978	7,648,818
		635	28,639,722	37,209,391	97,379,980	72,286,231	56,791,870

Total, Specie Funds, \$960,037—Total, other Liabilities, \$45,437,972.

No returns from Vermont, New Jersey, Delaware, District of Columbia, Mississippi, Kentucky, Illinois, Indiana, Michigan, Wisconsin, Iowa, and Florida.

Statement of the condition of such Banks as have made returns, dated near January, 1839.

State or Territory.	Date.	Banks & Branches.	Capital.	Loans and Discounts.	Real estate.	Due by other Banks.
Maine	Jan. 7	50	\$4,959,000	\$6,721,559	\$189,208	\$784,392
New Hampshire	Dec. 3	28	2,939,500	4,476,442	83,430	577,614
Vermont	Sept.	19	1,304,530	2,705,367	36,699	11,846
Massachusetts	Oct.	110	34,630,000	48,206,808	1,066,327	5,027,800
Rhode Island	Jan.	62	9,868,773	12,895,325	.. . . .	519,245
New York	Jan. 1	98	36,801,460	68,300,486	2,557,655	14,122,940
Pennsylvania	Nov.	49	25,155,783	38,696,788	1,824,899	3,620,824
Maryland*	Jan. 1	15	9,954,500	13,567,348	470,221	1,571,723
District of Columbia.	Jan. 1	6	1,855,790	3,221,299	270,336	245,186
Virginia*	Jan.	25	7,458,248	16,236,429	588,468	1,412,238
North Carolina	Nov. 24	10	3,100,750	4,752,584	130,702	571,025
South Carolina	Nov.	13	9,153,498	15,378,020	365,780	1,393,861
Georgia	Oct.	37	15,025,971	15,772,770	2,886,689	1,524,049
Alabama	Oct.	7	11,996,232	25,842,884	351,485	1,799,278
Louisiana	Dec.	47	40,930,976	56,855,610	.. . . .	686,329
Arkansas	Nov. 5	3	628,105	763,737	10,743	106,080
Tennessee	Jan. 1	14	5,395,799	9,363,033	104,502	666,612
Kentucky* . . . . .	.. . . .	14	.. . . .	12,017,347	.. . . .	.. . . .
Missouri	Dec. 31	2	1,027,870	1,570,431	43,449	442,792
Indiana	Nov. 17	11	2,216,700	4,532,965	144,386	226,521
Wisconsin	Jan.	2	139,125	231,624	.. . . .	.. . . .
Iowa	Dec.	1	100,000	77,941	4,206	762
U. States Bank, Pa.	Nov.	16	35,000,000	47,561,540	1,411,093	5,768,314
		639	259,642,610	409,748,337	12,540,278	41,079,431

Total, Stocks, \$25,208,373—Total, other Investments, \$19,723,423.

Statement dated near January, 1839.—(Continued.)

State or Territory.	Date.	Banks & Branches.	Notes of other Banks.	Specie.	Circulation.	Deposites.	Due to other Banks.
Maine	Jan.	50	\$267,577	\$303,605	\$2,036,640	\$818,824	\$117,974
N. Hampshire	Dec.	28	128,816	187,961	1,510,691	522,036	.. . . .
Vermont	Sept.	19	118,196	157,033	2,043,843	330,772	4,973
Massachusetts	Oct.	110	2,359,387	2,394,624	9,400,412	7,122,642	3,526,686
Rhode Island	Jan.	62	342,409	462,002	1,886,108	972,766	875,296
New York	Jan.	98	3,907,137	6,602,708	19,373,149	18,370,044	15,344,098
Pennsylvania	Nov.	49	3,876,089	3,612,253	11,792,948	10,135,863	3,778,360
Maryland*	Jan.	15	1,230,603	1,372,008	2,897,695	3,469,904	2,090,485
Dist. Columb.	Jan.	6	217,492	415,573	950,132	1,397,399	327,008
Virginia	Jan.	25	709,359	2,270,367	8,015,418	2,999,589	1,068,776
N. Carolina	Nov.	10	132,149	723,875	2,114,140	588,389	156,436
S. Carolina	Nov.	13	566,025	2,000,149	4,566,327	2,732,583	1,308,206
Georgia	Oct.	37	1,611,469	3,232,274	5,121,604	2,834,219	2,050,652
Alabama	Oct.	7	1,199,871	1,687,046	6,779,678	4,919,598	2,257,512
Louisiana	Dec.	47	1,723,244	3,987,697	6,280,558	7,657,161	8,119,708
Arkansas	Nov.	3	59,612	316,045	461,775	134,369	8,537
Tennessee	Jan.	14	1,191,067	802,369	1,930,040	649,215	348,746
Kentucky* . . . . .	.. . . .	14	.. . . .	1,613,383	5,418,320	.. . . .	.. . . .
Missouri	Dec.	2	593,550	691,070	671,950	1,101,638	481,972
Indiana*	Nov.	11	155,813	1,345,832	2,951,795	490,617	269,905
Wisconsin	Jan.	2	.. . . .	65,680	235,573	109,967	.. . . .
Iowa	Dec.	1	18,874	3,033	10,990	3,686	.. . . .
U. S. Bank	Nov.	16	3,258,740	5,223,476	4,220,854	8,671,421	3,166,420
		639	23,667,659	39,470,063	100,670,640	76,032,702	45,301,750

Total, Specie Funds, \$3,603,739—Total, other Liabilities, \$50,236,361.

* Incomplete. Maryland: no returns from seven banks and two branches. Kentucky: returns embracing only loans and discounts, specie and circulation. No returns from Connecticut, New Jersey, Delaware, Mississippi, Illinois, Ohio, Michigan, and Florida.

Comparative View of the condition of all the Banks, near the commencement of each year, from 1836 to 1838.

	ACCORDING TO THE RETURNS NEAREST		
	Jan. 1, 1836.	Jan. 1, 1837.	Jan. 1, 1838.
Capital paid in	\$251,875,292	\$290,772,091	\$317,636,778
Loans and Discounts	457,506,080	525,115,702	485,631,687
Stocks	11,709,319	12,407,112	33,908,604
Real Estate	14,194,375	19,064,451	19,075,731
Other Investments	9,975,226	10,423,630	24,194,117
Due from other Banks	51,876,955	59,663,910	58,195,153
Notes of other Banks on hand	32,115,138	36,533,527	24,964,257
Specie Funds	4,800,076	5,366,500	904,006
Specie	40,019,594	37,915,340	35,184,112
Circulation	140,301,038	149,185,890	116,138,910
Deposites	115,104,440	127,397,185	84,691,184
Due other Banks	50,402,369	62,421,118	61,015,692
Other Liabilities	25,999,234	36,560,289	59,995,679
Aggregate of Bank Accounts	1,205,879,136	1,372,826,745	1,321,535,910
Aggregate of Investments supposed to yield income	493,385,000	567,010,895	561,760,319
Excess of such investments above amount of capital paid in	241,409,708	276,238,804	243,180,261
Aggregate of Deposites and Circulation	255,405,478	276,583,075	200,820,094

Comparative View of the condition of all the Banks.—(Continued.)

	ACCORDING TO THE RETURNS NEAREST		
	Jan. 1, 1836.	Jan. 1, 1837.	Jan. 1, 1838.
Aggregate of Deposits, Circulation, and sums due to other Banks	\$305,807,847	\$339,004,193	\$261,845,686
Aggregate of Specie, Specie Funds, Notes of other Banks, and sums due by other Banks	128,811,763	139,479,277	119,247,428
Excess of immediate liabilities beyond immediate means	176,996,084	199,524,916	142,598,258
Total of means of all kinds	622,196,763	706,490,172	704,358,577
Total of liabilities, exclusive of those to Stockholders	331,807,081	375,564,482	321,823,365
Total of liabilities of the Banks to one another	134,394,462	158,618,555	144,175,002
Total of liabilities to all, except other Banks and Stockholders	281,404,712	313,143,364	260,825,773
Net Circulation	108,185,900	112,652,363	91,174,653

STATE SECURITY BANKS.

A statement of the number of Banks formed under the General Banking Law of New York, the amount of securities deposited with the Comptroller, and the amount delivered to the Banks for circulation.

BANKS.	Securities.	Cir'ng Notes.	BANKS.	Securities.	Cir'ng Notes.
Staten Island	\$83,500	\$68,726	Watertown	129,106	\$51,300
Agricult. of Herkimer	37,750	10,000	Lowville	43,350	37,500
United States, N. York.	200,000	176,000	Waterville	53,300	45,000
Western N. Y., Roch'r.	100,000	92,792	Corning	32,000	—
Farm's' of Seneca c'ty.	14,000	12,775	American Exchange	404,000	339,800
Mechanics' B'king Asso.	189,000	175,200	Whitestown	58,550	10,600
N. A. Trust & B'king Co.	371,900	290,040	Pine Plains	76,200	50,100
Farmers', of Orleans	158,630	122,210	Canal, of Lockport	132,700	102,300
Lockp't B'kg. & Trust co.	183,960	166,800	Howard Trust & B'king Company, Troy	48,250	33,000
N. Y. St. Stock Security.	27,200	27,096	Washington County	37,550	12,000
Mchts' & Farm's, Ithaca	120,800	111,000	Bank of Commerce	300,000	160,040
Syracuse	155,800	111,000	Commercial, of Troy	15,000	—
St. Lawrence	100,000	94,000	Vernon	79,819	47,800
Mchts' Exch'ge, Buffalo.	77,000	75,000	Binghamton	21,950	20,000
Far's & Mech's, Genesee	87,919	55,000	Mohawk Valley	46,700	5,500
Kinderhook	100,000	94,600	N. Y. Banking Company	116,000	110,000
James	60,829	59,800	Commercial, of Rochst'r.	101,200	69,000
Powell	125,090	97,600	Middletown	45,400	7,700
Wool Growers'	20,000	18,000	Delaware	48,000	37,000
Millers', Clyde	125,400	112,520	Waterville	14,000	4,000
Central New York	45,093	38,000	Farmers' & Mec. Roch'r.	42,000	8,000
Chelsea	50,000	47,002	Dansville	150,300	—
Exchange, of Genesee	44,370	40,000	Farmers' and Drovers'	35,900	21,000
Genesee County	57,250	48,200	do. do.	30,000	9,500
Fort Plain	81,450	67,000	Commercial, of Troy	16,000	14,000
Tonawanda	20,000	19,000	Washington, New York.	45,000	12,600
Attica	39,487	23,200	Farmers', of Seneca Co.	12,000	10,800
United States, of Buffalo	75,000	66,000	Farmers', of Amsterdam	20,000	9,000
Ballston Spa	78,450	76,600	Millers'	40,000	28,000
Farmers', of Hudson	100,200	90,000	Erie County	61,000	56,300
Mechanics', of Buffalo	42,650	35,000	do. do.	70,750	71,500
Mercantile, Schenectady	99,500	60,950			

TREASURY NOTES.

Official statement from the Treasury Department, August 1, 1839, of the aggregates of Treasury Notes outstanding.

Amount issued under the provisions of the act of October 12, 1837, viz.	\$10,000,000 00	
Of that issue there has been redeemed	9,627,105 46	
Leaving outstanding,		\$372,894 54
In lieu of those redeemed there has been issued, under act of 21st May, 1838,	\$5,709,810 01	
Of that issue there has been redeemed	4,776,450 42	
Leaving of that issue outstanding,		933,359 59
Aggregate of first and second issues outstanding,		\$1,306,254 13
The issues under the provisions of the act of the 2d of March, 1839, amount to	\$3,857,276 21	
Of that issue there has been redeemed	3,100 00	
		3,854,176 21
Making the aggregate of all outstanding,		\$5,160,430 34

COMMERCIAL STATISTICS.

COMMERCE AND NAVIGATION OF THE UNITED STATES, FOR THE COMMERCIAL YEAR OF 1838.

We are indebted to the Secretary of the Treasury for a copy of the luminous report of that department, with the annual statement of the commerce and navigation of the United States, for the commercial year ending the 30th of September, 1838. This report is dated at the treasury department, May 18, 1839, and is made in conformity with the provisions of the act of Congress of the 10th of February, 1820, entitled, "an act to provide for obtaining accurate statements of the foreign commerce of the United States." It presents, in distinct tables, general and summary statements of the quantity and value of merchandise imported—of foreign merchandise exported—of domestic produce and manufactures exported—general statements of the quantity of American and foreign tonnage entered into the United States, and of the quantity of American and foreign tonnage cleared—a statement exhibiting the aggregate number of each description of foreign vessels, with their tonnage and the number of seamen, that entered into and cleared from the United States—a statement of the number of vessels which entered each district from, and cleared each district for, foreign countries—and a statistical view of the commerce and navigation of the United States, and of the commerce and navigation of each state and territory.

From this report we are enabled to condense and concentrate the following interesting statistical facts:

The value of imported merchandise from foreign countries was, free of duty, \$60,860,005; paying duties ad valorem, \$27,090,486; paying specific duties, \$25,766,919—Total, \$113,717,404: of this amount, \$103,087,448 was in American vessels, and \$10,629,956 in foreign vessels.

The exports of goods, wares, and merchandises, of the growth, produce, and manufacture of foreign countries, were, free of duty, \$7,986,411; paying duties ad valorem, \$2,518,329; paying specific duties, \$1,948,055—Total, \$12,452,795: in American vessels, \$9,964,200; in foreign vessels, \$2,488,595.

The exports of the goods, wares, and merchandise, of the growth, produce, and manufacture of the U. States, were \$96,033,821; in American vessels, \$79,855,599; in foreign vessels, \$16,178,222. The domestic exports are classified: 1. Of the sea, \$3,175,576—2. the forest, \$5,200,499—3. agriculture, including animal and vegetable food, tobacco, cotton, and all other agricultural products, \$78,194,447—4. Manufactures, \$8,033,821.

The number of American and foreign vessels, which entered into the United States, was 9,775 vessels, with a tonnage of 1,895,084, with crews of men, 96,796, and 3,149 boys.

The number of American and foreign vessels, with their tonnage and crews, which cleared from the United States for foreign countries, was, vessels, 10,144; tons, 2,012,927; with crews of 99,489 men, and 3,018 boys.

The following table exhibits the number, tonnage, crews, and national character, of the foreign vessels that entered into and cleared from the United States during the commercial year of 1838.

FLAG.	FOREIGN VESSELS.							
	ENTERED.				CLEARED.			
	No.	Tons.	Crews.		No.	Tons.	Crews.	
			Men.	Boys.			Men.	Boys.
British	3,206	484,702	28,662	685	3,176	486,904	28,138	454
Hanoverian	2	466	31	..	4	813	42	..
French	76	20,574	1,013	25	82	21,849	1,082	23
Spanish	103	13,183	989	7	103	13,607	993	13
Swedish	35	3,695	407	3	44	11,542	498	4
Norwegian	3	728	34	..	5	1,174	55	..
Danish	23	3,447	202	2	29	4,765	257	4
Dutch	25	4,436	235	6	24	4,536	228	4
Hanseatic	127	37,538	1,673	15	136	39,636	1,754	8
Russian	5	1,430	68	3	5	1,604	68	..
Prussian	7	2,087	82	2	10	2,321	96	..
Austrian	7	2,452	109	..	10	3,382	125	..
Sicilian	14	3,113	168	8	14	3,083	175	..
Sardinian	7	1,709	89	2	7	1,542	85	3
Portuguese	7	1,152	67	4	9	1,302	91	..
Belgian	5	943	50	1	4	720	31	1
Neapolitan . . . . .	..	..	..	..	1	227	14	..
Greek . . . . .	..	..	..	..	1	305	18	..
Mexican	12	962	88	..	11	976	105	..
Texan	9	862	72	..	6	397	39	..
Colombian	5	848	41	..	2	358	16	..
Venezuelan	4	637	37	..	2	250	18	..
New Granadian	3	522	24	..	5	1,022	49	..
Buenos Ayrean	1	169	9	..	2	339	16	..
Haytian	9	1,459	87	..	11	1,512	105	..
Total	3,696	592,110	34,237	763	3,703	604,166	34,098	514

The registered tonnage of the United States, for the commercial year 1838, as corrected at the Register's office, is stated at 822,591 86-95—the enrolled and licensed tonnage at 1,041,105 18-95—and the fishing vessels at 131,942 71-95—Making a total of 1,995,639 80-95 tons. Of the registered tonnage, 119,629 89-95 tons were employed in the whale fishery.

The total tonnage of shipping built in the United States during the year ending on the 30th of September, 1838, was, Registered, 41,859 56-95—enrolled, 71,275 83-95—Total, 113,135 44-95 tons.

The following table presents a condensed comparative statement of the commerce of each State and Territory, for the commercial year of 1838, commencing October 1st, 1837, and ending September 30th, 1838 :

STATES AND TERRITORIES.	Value of im-ports.	VALUE OF EXPORTS.		
		Domestic Produce.	Foreign Produce.	Total Value of Exports.
Maine	\$899,142	\$915,076	\$20,456	\$935,532
New Hampshire	169,985	56,103	18,567	74,670
Vermont	258,417	132,650	..	132,650
Massachusetts.	13,300,925	6,158,529	2,946,333	9,104,862
Rhode Island	656,613	270,065	21,192	291,257
Connecticut.	343,331	543,610	..	543,610
New York	68,453,206	16,432,333	6,576,138	23,008,471
New Jersey.	1,700	28,010	..	28,010
Pennsylvania	9,360,731	2,481,543	995,608	3,477,151
Delaware.	1,348	36,844	..	36,844
Maryland	5,701,869	4,165,168	359,407	4,524,575
District of Columbia.	122,748	366,760	6,353	373,113
Virginia.	577,142	3,977,895	8,333	3,986,228
North Carolina	290,405	544,952	271	545,223
South Carolina	2,318,791	11,017,391	24,679	11,042,070
Georgia	776,068	8,803,839	..	8,803,839
Alabama	524,548	9,688,049	195	9,688,244
Louisiana	9,496,808	30,077,534	1,424,714	31,502,248
Missouri	15,921	..	..	..
Tennessee	527	..	..	..
Kentucky	8,932	..	..	..
Ohio	12,895	139,827	..	139,827
Michigan	256,662	125,660	..	125,660
Florida Territory.	168,690	71,983	50,549	122,532
Total	113,717,404	96,033,821	12,452,795	108,486,616

TONNAGE OF THE UNITED STATES.

A comparative View of the registered, enrolled, and licensed Tonnage of the United States, in tons and ninety-fifths, from 1815 to 1838, inclusive. From the Treasury Department, Register's Office, April 2d, 1839.

YEARS.	Registered Tonnage.	Enrolled and Licens- ed Tonnage.	Total Tonnage.
1815.	854,294 74	513,833 04	1,368,127 78
1816.	800,759 63	571,458 85	1,372,218 53
1817.	809,724 70	590,186 66	1,399,911 41
1818.	606,088 64	609,095 51	1,225,184 20
1819.	612,930 44	647,821 17	1,260,751 61
1820.	619,047 53	661,118 66	1,280,166 24
1821.	619,896 40	679,062 30	1,298,958 70
1822.	628,150 41	696,548 71	1,324,699 17
1823.	639,920 76	696,644 87	1,336,565 63
1824.	669,972 60	719,190 37	1,389,163 02
1825.	700,787 08	722,323 69	1,423,110 77
1826.	739,978 15	796,211 68	1,534,190 83
1827.	747,170 44	873,437 34	1,620,607 78
1828.	812,619 37	928,772 50	1,741,391 87
1829.	650,142 88	610,654 88	1,260,977 81
1830.	576,475 33	615,310 10	1,191,776 43
1831.	620,451 92	647,394 32	1,267,846 29
1832.	686,980 77	752,460 39	1,439,450 21
1833.	750,026 72	856,123 22	1,601,149 94
1834.	857,438 42	901,468 67	1,758,907 14
1835.	885,821 60	939,118 49	1,824,940 14
1836.	897,774 51	984,328 14	1,892,102 65
1837.	810,447 29	1,086,238 40	1,896,685 69
1838.	822,591 86	1,173,047 89	1,995,639 80

COMMERCE OF MASSACHUSETTS, FROM 1789 TO 1838.

Years.	EXPORTS.			Imports.	Duties on foreign merchandise imported.	Drawbacks on merchandise.	Registered tonnage.
	Domestic.	Foreign.	Total.				
1791	....	....	2,519,651	....	1,025,974	19,130	94,662 00
1792	....	....	2,888,104	....	810,696	12,010	112,644 00
1793	....	....	3,755,347	....	1,125,784	37,138	135,599 68
1794	....	....	5,292,441	....	1,465,439	327,594	143,783 61
1795	....	....	7,117,907	....	1,998,464	457,425	171,748 12
1796	....	....	9,949,345	....	2,354,150	814,374	186,199 59
1797	....	....	7,502,047	....	2,169,005	636,772	187,447 47
1798	....	....	8,639,252	....	2,133,144	800,094	178,798 41
1799	....	....	11,421,591	....	2,837,002	1,019,030	191,067 31
1800	....	....	11,326,876	....	3,165,182	1,008,234	213,197 28
1801	....	....	14,870,556	....	4,442,577	1,347,475	241,319 05
1802	....	....	13,492,632	....	3,428,245	1,712,580	209,704 40
1803	5,399,020	3,369,546	8,768,566	....	3,410,617	757,667	222,024 81
1804	6,303,122	10,591,256	16,894,378	....	5,401,415	1,572,074	250,638 47
1805	5,697,051	13,738,606	19,435,657	....	5,967,330	2,449,041	285,689 32
1806	6,621,696	14,577,547	21,199,243	....	6,209,725	2,479,026	306,075 87
1807	6,185,748	13,926,377	20,112,125	....	6,371,425	2,580,623	310,309 69
1808	1,508,632	3,619,690	5,128,322	....	2,294,717	895,243	266,519 91
1809	6,022,729	6,119,564	12,142,293	....	2,637,502	1,158,105	324,690 08
1810	5,761,771	7,251,277	13,013,048	....	3,951,671	1,150,488	352,806 82
1811	6,042,645	5,192,820	11,235,465	....	2,772,074	916,490	273,245 89
1812	3,935,229	2,648,109	6,583,338	....	3,173,930	451,682	266,976 20
1813	1,513,069	294,854	1,807,923	....	2,090,723	106,268	237,649 33
1814	1,078,077	55,722	1,133,799	....	1,492,580	24,599	225,774 05
1815	3,547,463	1,732,620	5,280,083	....	5,944,211	271,675	299,298 85
1816	5,008,974	5,127,465	10,136,439	....	5,947,343	1,034,222	274,049 63
1817	5,908,416	6,019,581	11,927,997	....	4,217,695	1,127,408	243,310 86
1818	5,698,646	6,299,510	11,998,156	....	4,916,317	4,188,087	*172,886 14
1819	4,873,992	6,525,921	11,399,913	....	4,741,022	1,192,842	176,269 93
1820	3,861,435	7,147,487	11,008,922	....	4,143,261	1,470,135	130,251 14
1821	3,698,517	8,846,174	12,484,691	14,826,732	4,701,645	1,282,844	196,975 45
1822	4,072,166	8,526,359	12,598,525	18,337,320	5,200,710	970,948	197,512 16
1823	3,944,985	9,738,254	13,683,239	17,607,160	4,527,616	1,396,935	165,393 15
1824	4,038,972	6,395,356	10,434,328	15,378,758	4,844,948	1,359,404	172,817 66
1825	4,262,104	7,170,883	11,432,987	15,845,141	5,761,649	1,224,124	173,344 71
1826	3,888,138	6,210,724	10,098,862	17,063,482	4,648,585	1,640,136	183,177 20
1827	3,820,349	6,604,034	10,424,383	13,370,564	4,809,693	1,233,308	225,111 40
1828	4,096,025	4,929,760	9,025,785	15,070,444	5,277,678	952,126	247,369 92
1829	3,949,751	4,305,186	8,254,937	12,520,744	5,139,090	1,161,869	227,067 92
1830	3,599,952	3,613,242	7,213,194	10,453,544	4,465,902	1,244,919	215,463 18
1831	4,027,201	3,706,562	7,733,763	14,269,056	6,057,447	953,536	225,226 15
1832	4,656,635	7,337,133	11,993,768	18,118,900	6,179,495	1,188,299	254,508 58
1833	5,150,584	4,532,538	9,683,122	19,940,911	4,223,852	1,169,669	276,723 86
1834	4,672,746	5,476,074	10,148,820	17,672,129	3,017,278	555,794	307,490 22
1835	5,564,499	4,479,291	10,043,790	19,800,373	3,866,539	587,091	331,173 47
1836	5,113,196	5,267,150	10,380,346	25,681,462	4,743,625	589,975	316,998 50
1837	4,781,901	4,856,289	9,728,190	69,975,667	....	....	288,346 47
1838	6,158,529	2,946,333	9,104,862	13,300,925	....	....	296,110 84

PRODUCE AND MANUFACTURES OF MASSACHUSETTS.

We received from the secretary of the commonwealth of Massachusetts, a voluminous pamphlet of 210 pages, containing an elaborate account of the products of various branches of industry in Massachusetts, prepared by John P. Bigelow, Esq. in accordance with an act of the legislature of the state. Mr. Bigelow has performed his arduous task in the most creditable manner, and the authentic exhibit which he has made of the vast products and internal resources of Massachusetts, speaks volumes in praise of the intelligence and unwearied industry of her sons, and illustrates

in a remarkable degree the triumphant success which is sure to attend judicious and persevering enterprise.

In relation to some articles manufactured in the State, no information is given, the Act not requiring it. The following table presents a condensed summary of the grand total, including the vessels built in the *five* preceding years; all the other articles named were manufactured or produced within one year. Deducting the vessels from the following statement, and allowing one fifth of the value set against them as the proper average for a single year, there will remain the sum of *eighty-six millions two hundred and eighty-two thousand six hundred and sixteen dollars*, as the value of the articles manufactured or produced by the several specified branches of industry during the year. The reader will find in the table a general result for the whole State, condensed from the detailed account, showing the value of the articles, the number of hands employed, and amount of capital invested.

<i>Articles manufactured or produced.</i>	<i>Value.</i>	<i>Hands employed.</i>	<i>Capital invested.</i>
Anchors, Chain Cables, &c.	\$114,125	36	\$80,500
Axes, Scythes, Snaiths, &c.	325,926	387	196,938
Beer, Bellows, Blacking, Boats, Bricks, &c.	152,321	273	55,300
Bonnets (Straw) and Palm-leaf Hats.	1,902,803		
Books and Stationery, School Apparatus, &c.	1,048,140	1,023	909,800
Boots and Shoes.	14,642,520	39,068	
Brass and Copper.	1,469,354	297	635,800
Britannia and Block Tin.	66,300	59	7,000
Brushes, Brooms, and Baskets.	289,512	350	103,095
Buttons, of all kinds.	246,000	358	147,200
Candles (spermaceti and tallow) and Soap.	1,620,730	266	697,300
Candlesticks, Play, Cards, Chocolate, Clocks, &c.	66,914	81	29,840
Cards (Wool).	254,420	139	148,340
Carriages, Wagons, Sleighs, Harness, &c.	679,442	945	278,790
Casks and Hoops.	202,832	194	81,250
Chairs and Cabinet Ware.	1,262,121	2,011	
Clothing, Neck Stocks, and Suspenders.	2,013,316	3,939	780,158
Combs.	268,500	444	
Cordage and Twine.	481,441	439	285,375
Cotton Goods (Cloths).	13,056,659	19,754	14,369,719
Cotton Batting, Thread, Warp, and Wicking.	169,221	151	78,000
Cotton Printing.	4,183,121	1,660	1,539,000
Cutlery.	186,200	193	92,033
Drugs, Medicines, and Dye Stuffs.	371,019	97	98,995
Fishery, (Whale, Cod, and Mackerel).	7,592,290	20,126	12,484,078
Fur Caps, and other manufactures of Fur.	73,000	100	55,000
Gas.	100,000	40	375,000
Glass.	831,076	647	759,400
Glue.	34,625	18	19,700
Gold and Silver Leaf.	43,000	36	11,200
Gunpowder.	246,357	77	160,800
Hats.	698,086	867	
India Rubber.	18,000	13	10,000
Iron Castings, Bar and Rod, &c.	1,658,670	1,311	1,516,025
Jewellery, Silver, and Silver Plate.	325,500	207	161,550
Lead Manufactures.	201,400	43	6,400
Leather, including Morocco.	3,254,416	1,798	2,033,423
Looking Glasses.	165,500	58	61,600
Lumber, Shingles, and Staves.	167,778	121	27,750
Machinery, of various kinds.	1,235,390	1,399	1,146,775
Muskets, Rifles, Pistols, Swords, &c.	288,800	394	65,943
Nails, Brads, and Tacks.	2,527,095	1,095	1,974,000
Oil (refined Whale and other Oil).	3,030,321	145	1,133,500
Organs and Piano Fortes.	324,200	239	172,000
Paper.	1,544,230	1,173	1,167,700
Ploughs.	54,561	73	
Saddles, Trunks, and Whips.	351,575	758	109,825

Salt	\$246,059	708	\$801,753
Showels, Spades, Forks, and Hoes.	264,709	284	225,523
Silk	56,150	125	137,000
Spectacles, Starch, Stone, and Earthenware.	35,560	47	20,974
Spirits	1,238,789		
Stone, (Granite, Marble, Slate, and Soap-stone)	680,782	1,177	209,950
Stoves and Stove-pipe	31,000	13	11,815
Sugar, (Refined).	976,454	92	303,653
Snuff and Cigars	184,601	396	33,300
Tin Ware	394,322	377	
Tools, (Carpenters', Joiners', and Shoemakers')	258,531	279	110,807
Types and Stereotypes.	157,000	215	140,000
Umbrellas.	104,500	136	56,500
Upholstery, including Hair, Paper-hangings, &c.	55,483	86	13,160
Vessels built in five years preceding April, 1837.	6,853,248	2,834	
Varnish and Beeswax	52,600	8	9,000
Window Blinds, Sashes, and Doors.	74,166	93	8,350
Wire	84,770	53	44,200
Wooden Ware, including Packing Boxes, &c.	174,692	313	26,950
Wool	539,689		2,842,778
Woollen Goods.	10,399,807	7,097	5,770,750
Engravings, Essences, Hosiery, Lamp-black, Mathematical Instruments, Mustard, Razor- Straps, Lather Boxes, Pumps, Blocks, &c.	63,466	117	19,078
Total	91,765,216	117,352	54,851,643

Comparative view of the imports and exports of Cotton into and from the United Kingdom of Great Britain and Ireland, from January 1 to July 20, 1839, and of imports and exports for the same period last year.

INTO THE KINGDOM, 1839.

American	bags 642,681
South American	73,912
West Indies, Demarara, &c.	4,200
East Indies	33,070
Egypt	20,825

Total of all descriptionsbags 774,688

Same period last year.

American	bags 934,846
South American	87,080
West Indies, Demarara, &c.	3,374
East Indies	41,639
Egypt.	23,484
	<u>1,090,441</u>

Decrease of imports, as compared with the same period last yearbags 315,753

EXPORTS IN 1838.

American	bags 10,068
Brazil	4,049
East Indies	9,205
Other kinds	none.
Total in 1839	23,322
Same period in 1838	51,756
Taken on speculation this year.	bales 211,020
. in 1838	85,600
Decrease of imports this year, compared with the same date in 1838	276,175
Increase of stock	19,170
Decrease of quantity taken for consumption	190,320
Decrease of quantity taken for export.	9,790

VALUE OF FOREIGN COINS.

VALUE OF THE FIVE FRANC PIECE.

Table showing the Value of any number of Five Franc pieces, from one to one hundred, at ninety-three cents each, as established by act of Congress.

No.	Value.	No.	Value.	No.	Value.	No.	Value.
1	\$0 93	26	\$24 18	51	\$47 43	76	\$70 68
2	1 86	27	25 11	52	48 36	77	71 61
3	2 79	28	26 04	53	49 29	78	72 54
4	3 72	29	26 97	54	50 22	79	73 47
5	4 65	30	27 90	55	51 15	80	74 40
6	5 58	31	28 83	56	52 08	81	75 33
7	6 51	32	29 76	57	53 01	82	76 26
8	7 44	33	30 69	58	53 94	83	77 19
9	8 37	34	31 62	59	54 87	84	78 12
10	9 30	35	32 55	60	55 80	85	79 05
11	10 23	36	33 48	61	56 73	86	79 98
12	11 16	37	34 41	62	57 66	87	80 91
13	12 09	38	35 34	63	58 59	88	81 84
14	13 02	39	36 27	64	59 52	89	82 77
15	13 95	40	37 20	65	60 45	90	83 70
16	14 88	41	38 13	66	61 38	91	84 63
17	15 81	42	39 06	67	62 31	92	85 56
18	16 74	43	39 99	68	63 24	93	86 49
19	17 67	44	40 92	69	64 17	94	87 42
20	18 60	45	41 85	70	65 10	95	88 35
21	19 53	46	42 78	71	66 03	96	89 28
22	20 46	47	43 71	72	66 96	97	90 21
23	21 39	48	44 64	73	67 89	98	91 14
24	22 22	49	45 57	74	68 82	99	92 07
25	23 25	50	46 50	75	69 75	100	93 00

VALUE OF THE SOVEREIGN.

Table showing the Value of any number of Sovereigns, from one to one hundred, at \$4 85 each, the rate at which they are received and paid out by the Banks. Large amounts are regulated by weight, valuing the pennyweight at 94.8 cents, as established by the Act of Congress.

No.	Value.	No.	Value.	No.	Value.	No.	Value.
1	\$4 85	26	\$126 10	51	\$247 35	76	\$368 60
2	9 70	27	130 95	52	253 20	77	373 45
3	14 55	28	135 80	53	252 05	78	378 30
4	19 40	29	140 65	54	261 90	79	383 15
5	24 25	30	145 50	55	266 75	80	388 00
6	29 10	31	150 35	56	271 60	81	392 85
7	33 95	32	155 20	57	276 45	82	397 70
8	38 80	33	160 05	58	281 30	83	402 55
9	43 65	34	164 90	59	286 15	84	407 40
10	48 50	35	169 75	60	291 00	85	412 25
11	53 35	36	174 60	61	295 85	86	417 10
12	58 20	37	179 45	62	300 70	87	421 95
13	63 05	38	184 30	63	305 55	88	426 80
14	67 90	39	189 15	64	310 40	89	431 65
15	72 75	40	194 00	65	315 25	90	436 50
16	77 60	41	198 85	66	320 10	91	441 35
17	82 45	42	203 70	67	324 95	92	446 20
18	87 30	43	208 55	68	329 80	93	451 05
19	92 15	44	213 40	69	334 65	94	455 90
20	97 00	45	218 25	70	339 50	95	460 75
21	101 85	46	223 10	71	344 35	96	465 60
22	106 70	47	227 95	72	349 20	97	470 45
23	111 55	48	232 80	73	354 05	98	475 30
24	116 40	49	237 65	74	358 90	99	480 15
25	121 25	50	242 50	75	363 75	100	485 00

MERCANTILE MISCELLANIES.

BANK OF ENGLAND.

Quarterly Average of the Weekly Liabilities and Assets of the Bank of England, from the 30th of April to the 23d of July, 1839, both inclusive, published pursuant to Act 3 and 4 William IV., cap. 98.

LIABILITIES.		ASSETS.	
Circulation	£18,049,000	Securities	£24,905,000
Deposites	7,955,000	Bullion	3,785,000
	£26,004,000		£28,690,000

Downing street, July 25, 1839.

As compared with the last, the above return exhibits a decrease in the amount of bullion of £559,000, in that of the securities to the extent of £29,000, and in that of the circulation to the extent of £52,000; while the deposits have been increased by £302,000.

BOSTON MERCANTILE LIBRARY ASSOCIATION.

This important association will celebrate their nineteenth anniversary on the 16th instant, when an address will be delivered by the Hon. Rufus Choate, and a poem by a member of the society. We are pleased to hear of the prosperous condition of the institution; and hope that a suitable building will be erected, on the plan of the Clinton Hall of this city, with lecture and reading rooms attached to the library. Such a building is much needed in Boston, and the mercantile community there should supply the deficiency, and thereby confer an inestimable benefit upon the rising generation.

OFFICERS.

ISAIAH M. ATKINS, Jr., *President*,
 DAVID G. DEANE, *Vice President*,
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 E. A. HOBART, *Treasurer*.

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H. B. Howe,

CINCINNATI MERCANTILE LIBRARY ASSOCIATION.

From the annual report of the Cincinnati Mercantile Library Association, we gather the following interesting facts. During the past year, the receipts were \$1293 38, and the expenditures \$1218. There are 480 members, of whom 320 are active, 114 honorary, and 45 life members; 140 new members have been added during the past year. The library contains 1343 volumes, of which 184 were added in 1838. Fourteen volumes, upon an average, were withdrawn daily, or about 5000 throughout the year. The institution appears to be in a flourishing condition.

MERCANTILE LIBRARY COMPANY OF PHILADELPHIA.

The annual report of this institution represents the society enjoying an increasing prosperity. The debts of the company have been entirely extinguished. The number of books purchased during the last year is 394, making the whole number of volumes in the library 5077. It is suggested, and very properly too we think, that the society hereafter adopt the plan so successfully pursued by the New York Mercantile Library Association, of giving courses of Lectures during the winter months. The following remark, which we particularly commend to the young, we extract from the report. "The business of the counting-house may be diligently attended to, and may result in the possession of wealth, beyond the possibility of enjoyment; but this alone will leave an aching void in the breast, for there are capacities for happiness, which the most rapid accumulation of property cannot fill."

M'CULLOCH'S DICTIONARY OF COMMERCE.

The reputation of this work is so well established, that either praise or censure from us could not be expected to affect it. Our object in writing this notice, is to call the attention of our readers to the American edition, edited by Professor Vethake, now in course of publication by Thomas Wardle, Philadelphia, and George Adlard, New York. The work will be completed in ten parts, (the third is now before us,) and forms two royal octavo volumes, printed in the best style, and on good paper. This edition will contain much important matter, not to be found in any other; as, for example, articles from the pen of the editor on banks, canals, coals, cotton, rail-roads, &c.

MANUFACTURE OF SAGO.

We are indebted to our successor, the Rev. John L. Sibley, in the conduct of the "American Magazine of Useful and Entertaining Knowledge," for the following valuable communication, descriptive of the manufacture of that important article of commerce, Sago. It is contained in a letter addressed to Mr. Sibley by a gentleman residing at Singapore. It will, we think, prove interesting at this time, as it has recently been found a valuable substitute for flour.

Raw sago is the pith of a tree of the Palm family (*Metroxylon Sagu.*) The tree being cut down, the exterior bark is removed, and the heart of it, a soft, white, spongy, and mealy substance, is gathered; and, for the purpose of distant transportation, it is put into conical bags made of the leaves of plantain trees and neatly tied up. In that state it is called by the Malays *sangoo tampin*, or bundles of sago; each bundle weighs about thirty pounds.

On its arrival at Singapore, it is purchased by the Chinese manufacturers of sago, and is treated in the following manner. Upon being carried to the manufactory, the plantain leaf covering is removed, and the raw sago, imparting a strong acid odor, is bruised, and is put into large tubs of cold spring water, where it undergoes a process of purification, by being stirred, suffered to repose, and again restirred in newly introduced water. When well purified thus, it is taken out of the tubs by means of small vessels; and being mixed with a great deal of water, the liquid is gently poured upon a large and slightly inclined trough, about ten inches in height and width: and in the descent towards the depressed end, the sago is deposited in the bottom of the trough, whilst the water flows into another large tub, where what may remain of sago is finally deposited. As the strata of deposited sago increases in the trough, small pieces of slats are adjusted to its lower end to prevent the escape of the substance. When by this pouring process the trough becomes quite full of sago, it is then removed to make room for a fresh one, whilst the former one is put out into the air, under cover, for a short time, and on its being well dried, the sago within is cut into square pieces and taken out to be thoroughly dried under cover, to protect it from the sun. It has then lost the acid smell already noticed, and has become quite white. After one day's drying thus, it is taken into what may be called the manufactory,—a long shed, open in front and on one side, and closed at the other and in the rear. Here the lumps of sago are broken up and are reduced into an impalpable flour, which is passed through a sieve. The lumps which are retained by the sieve are put back to be rebruised, whilst that portion which has passed is gathered and is put into a long cloth bag, the gathered ends of which, like those of a hammock, are attached to a pole, which pole being suspended to a beam of the building by a rope, one end of it is sharply thrown forward with a particular jerk, by means of which the sago within is shortly granulated very fine, and becomes what is technically called *pearled*. It is then taken out, and is put into iron vessels, called here *quallies*, for the purpose of being dried. These quallies are small elliptical pans, and resemble in form the sugar-boilers of the West Indies or Louisiana, and would each hold about five gallons of fluid. They are set a little inclining, and in a range, over a line of furnaces, each one having its own fire. Before putting in the sago to be dried, a cloth, which contains a small quantity of hog's fat or some oily substance, is quickly passed into the qually and the sago is equally quickly put into it, and a Chinese laborer, who attends it, commences stirring it with a *palhit*, and thus continues his labor during the few minutes necessary to expel the moisture contained in the substance. Thus each qually, containing about ten pounds of sago, requires the attendance of a man. The sago, on being taken off the fire, is spread out to cool on large tables, after which, it is fit to be packed into boxes or put into bags for shipment; and it is known in commerce under the name of *pearl sago*.

Thus the labor of fifteen or twenty men is required to do that which, with the aid of

simple machinery, might be done much better by three or four laborers. A water wheel would both work a stirring machine, and cause an inclined cylinder to revolve over a fire for the purpose of drying the sago, in the manner used for corn meal and flour. But the Chinese have no idea of substituting artificial means, when manual ones are obtainable.

IMPROVEMENT IN THE MANUFACTURE OF SUGAR.

Mr. L. J. McCormick, of Baton Rouge, (La.) has invented an improvement in the manufacture of sugar, which cannot fail to be of great advantage to planters. By this invention, one cord of wood alone is sufficient to manufacture one hogshead (1,000 lbs.) of sugar; which is less than one third of the fuel now consumed to produce the same result. Mr. McCormick says naively enough, "To establish this invention, I must be remunerated in some way; and if the sugar planters have not the liberality and enterprise to pay for its establishment on their plantations, they may have the firmness to risk a few thousand dollars in a bet that it will not succeed."

BET SUGAR IN MICHIGAN.

It appears by an article in the Genesee Farmer, that the people of Michigan are more extensively engaged in the beet sugar business, than any other part of the Union. Several companies have been formed for the purpose, which have planted large quantities of beets, and some wealthy individuals are planting largely on their own account. The Hon. Lucius Lyon, of Ionia county, came to Rochester a short time since, and purchased at the seed store in that city over three hundred pounds of sugar beet seed, together with machines for sowing and cultivating them. Mr. L. stated that he intended to plant one hundred and fifty acres of beets, and to erect suitable buildings and apparatus for an extensive sugar manufactory. He expressed the fullest confidence in the success of the enterprise, and has sent to France for an experienced workman to superintend the business.

NATIVE GOLD.

Among the many varieties of minerals which abound in Missouri, says the St. Louis Republican, we now have incontestable evidence of the existence of gold. We have seen a lump of native gold, which was found on the farm of Mr. Bacon, on the waters of the Merrimac, about thirty miles from St. Louis. The lump was turned up where he was ploughing, and was about half the size of a hen's egg. The piece shown to us was a part of the large lump. It had been assayed by one or more of the gentlemen of the Western Academy of Natural Science, and pronounced to be about seventeen carats fine. We are told that a number of lumps of the same kind have, at different times, been picked up in that neighborhood, but no one knowing what metal it was, it has heretofore elicited very little attention. We are not informed whether the indications are such as to justify the expectation that it exists in large quantities. We presume, from its having been found in several places, that there will yet be more important discoveries made.

LEGHORN STRAW.

The Bulletin des Sciences states, that M. Fournier, of Geneva, visited Florence in 1823, and made inquiries respecting the bearded wheat of Tuscany. He says this wheat is cultivated both for bread, and for the manufacture of straw braid; in some parts of the valley of the Arno, between Pisa and Florence, it is cultivated for the straw only. The seed is sown very thick, in poor, stony land; when the grain has grown to the height of a few inches, it is mown, that the stalks may be more delicate; if they are still too large they are mown again, and if necessary, two or three times more; when the stems are sufficiently fine, they are suffered to grow, and as soon as the plants are in blossom, the grain being yet in the milk, they are pulled up; they are then exposed to the sun upon the sand near the river, and watered from time to time. After the straw has acquired a proper color, it is carefully assorted according to the fineness and length of the stalk. The only part used for fine braid is that which extends from the head to near the first joint; the part between the first and third joints is reserved for common braids. M. Fournier presented samples of the straw, unprepared, to Mr. Salisbury of England.

BANKS IN SOUTH AMERICA.

A citizen of the United States has obtained a charter from the Republic of Ecuador, for a bank, the principal branch of which is to be established at Guayaquil. The chief provisions of the charter are as follows:—

The bank is to be one of discount and deposit. The capital, five hundred thousand dollars, to be paid in the coin of the Republic, and to remain constantly in the bank.

The bank may issue bills, payable in specie at sight, to twice the amount of the capital. No bill to be issued for less than ten dollars, under penalty of forfeiting their charter. These bills shall not be held as legal tender in payment of debts. The government may receive them in payment of duties, but will not compel its creditors to receive them.

The bank shall lend to no individual, at one time, more than ten thousand dollars. It shall hold no property, other than the banking house.

It shall not be concerned, directly or indirectly, in any commercial transactions, other than the purchase of bills of exchange, foreign and domestic, under the penalty of forfeiting its charter.

The bank may demand nine per cent. interest upon its loans, and no more. No officer or director of the bank shall borrow from it more than five thousand dollars at any one time.

The charter shall continue for ten years, revocable at the pleasure of the government.

The bank shall receive in deposit all funds of the government, and pay them out, free of charge.

LOSS OF BANK NOTES.

The old Bank of the United States was chartered in 1791, and in active operation for twenty years. Its circulation never exceeded twenty millions. In 1823, by decree of court, the trustees of the bank were released from any obligations to redeem outstanding bills, as twelve years had elapsed from the expiration of the charter; and notice, by public advertisements, had been widely spread for seven years. The notes then unredeemed amounted to two hundred and five thousand dollars. A fund of five thousand dollars was reserved for instances of peculiar hardship; but the whole amount presented does not much exceed eleven hundred dollars to the present time, of which the greater part was in the hands of an invalid revolutionary soldier, and liquidated in 1825. A note of ten dollars, however, was redeemed a short time since.

The result of the note account of the second Bank of the United States cannot be known for some years. An estimate was made by the government in fixing the price of the seven millions of stock sold to the bank, but the amount was, of course, a matter of mere speculation.

DAILY VALUE OF SUNSHINE.

The value of the agricultural products of the United States cannot be less than \$500,000,000 annually. The perfection of this is depending on the weather of four months, June, July, August, and September, or about 120 days. Every one knows that without sunshine the crops would be a failure, either partially or totally; and hence we can estimate its average value at about *four millions of dollars daily*. There can be no doubt, that, considering the nature of the previous weather, the beautiful days preceding the 20th of July added from ten to fifteen millions daily to the value of our agricultural products; yet, like many other good things, the very commonness of this invaluable and powerful agent causes it to be overlooked. Without sunshine, the earth would soon become another chaos, destitute of order, "without form and void."

LOUISIANA TOBACCO TRADE.

The largest cargo of tobacco ever shipped at New Orleans was that of the ship *Rialto* for London, the 26th ult. with 659 hogsheads, valued at New Orleans at near \$200,000.

INCREASE OF FLOUR.

At one of our great flour marts, Richmond, Va., near 240,000 barrels and half barrels had been inspected the year ending June 30, exceeding we believe the amount of any preceding year.