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ART. I.—THE PROGRESS AND INFLUENCE OF COMMERCE IN EUROPE.

THE mighty aid which commerce has afforded in civilizing, enlightening, and refining mankind, affords a lesson fraught with the deepest interest, and the most profound and highly elevated instruction. It has been a powerful engine, in sweeping away the rude and barbarous usages which prevailed in Europe during the middle ages, and has exercised a tremendous influence upon the civil, political, and moral condition of the whole world. View it on every side—in every age—and in whatever aspect, religious, political, or moral; trace its path in dark and heathenish nations, and in the bright and glorious sovereignties of the enlightened world, and we see the character of man softened by its presence, and his social condition improved by its influences. It is the aid of religion clad in a different garb, but contributing powerfully to its assistance—springing from the wants of mankind—moving in a worldly sphere, but scattering the gifts of heaven in its path; and so intimately are religion, commerce, literature, and the science of rational government, connected, that in order to appreciate the one, we must become acquainted with all; and when we have candidly and deliberately surveyed the progress of each, and its influence and bearing in ameliorating the moral, political, and social condition of our race, we must acknowledge, that commerce has opened the way and smoothed the path for all. There is, perhaps, no nation on the globe, which is so much indebted to commerce for its strength, the permanence of its institutions, the durability and beauty of its political fabric, the power almost infinite of its naval force, and the brilliancy of its intellectual character, as England. Every thing which constitutes England mistress of the seas, nearly every attribute which composes her constitutional strength, and gives her influence and power among the nations of the earth, spring from and were created out of the commerce which in the infancy of her power she fostered.

The ancient inhabitants of England, were a rude, uncultivated race of men. They were without ships of any kind, destitute of nautical skill, and almost entirely ignorant of the nations inhabiting the continent of Europe. They held no intercourse with foreign powers, and possessed none of the

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refinements belonging to civilized life; and while Rome glittered in the riches of foreign climes, and was clothed in a grandeur emanating from her adventurous power; while Venice sparkled in the gems with which commerce had encircled her, and shone forth in intellectual beauty—England slumbered in superstition and dark ignorance, destitute of every thing which constitutes her present greatness. But a new sun dawned upon her—the sun of conquest. The Saxons, a fierce, warlike race of men, who inhabited the northern coast of Germany, being called upon by the Ancient Britons to assist them in repelling the Picts and Scots, who had poured themselves down in warlike fierceness from their northern hills, took advantage of the defenceless state of the Britons, and seized England in their powerful grasp, and after one hundred and fifty years of fierce and cruel contention, the Saxons succeeded in exterminating the ancient possessors of Britain, and establishing themselves undisputed masters of the soil. For some time after this event, the Saxons discontinued all connexion and intercourse with the continent. They were governed by a number of petty princes, who were independent of each other, and who would not act in concert in carrying forward any great national scheme for their mutual advancement. But when the Christian religion began to pervade the states of Europe, and by its influence to soften the fierce and warlike spirit of the inhabitants, a communication was opened by one or two of the Saxon princes with the continent, and the vast advantages to be derived from commercial intercourse became apparent; and one of the princes of the Saxon Heptarchy carried this new policy of foreign commerce into execution, by concluding a treaty with Charlemagne, who by encouraging commerce, and creating a navy, had raised France to a pitch of power and naval greatness, which was unrivalled by any nation of Western Europe; and when the Heptarchy, under King Egbert, was consolidated into the Kingdom of England, that prince at once perceived, that owing to the close proximity of his country to the powerful sovereignties of Europe, the future greatness of his people must depend upon a rich commerce and a mighty naval force. The spirit of trade with the countries of Europe was encouraged, and with it nautical skill was increased and fostered; as the intercourse of England with the Continent increased, the advancement of religion and learning became perceptible; and the elegant, profound, and varied literature of the ancients, was rescued from the dust of the cloister, to enlighten nations shrouded in dark ignorance and fearful error. The arts and sciences began slowly to emerge from under the weight of monastic influence, and moved slowly onward through the intellectual darkness which prevailed: nations became less strange to each other, treaties were formed, commercial privileges were claimed and granted, international rights were recognised, lines of territory were drawn and settled, and even the mighty ocean was parcelled out.

When the illustrious Alfred ascended the throne of England, he took a more intelligent, comprehensive, and statesmanlike view of the relative situation of his country, than any of his predecessors; and his vast mind fully appreciated the immense advantages of power, and wealth, and national greatness, which must result from the maritime riches and naval strength of England; and looking to the intellectual, as well as physical grandeur of his nation, he was deeply impressed with the conviction that the acquisition of literature and learning, by commerce with foreign countries, would, in a national point of view, almost equal every other advantage to be derived from it. Guided by these great and philanthropic principles, Alfred brought

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into active requisition every power of his mighty mind, for the attainment of his ennobling purpose: he sent agents in whom he could repose confidence, and who were selected for their experience and learning, into all the maritime countries of Europe, and to the remote nations of Asia, to collect information which would enable him to adopt measures best calculated to promote and advance the object he had in view. A vast expense was incurred, a mighty influence was exerted, and every element set in motion by this wise prince, to advance his country's maritime greatness; and in part he succeeded. The vessels built by him were superior to any which navigated the northern seas; they were less bulky, more easily managed, faster sailers, and their model more graceful and elegant. But with the death of this prince expired much of the maritime wealth and commercial prosperity of England. A few succeeding sovereigns managed to keep up a small naval force, sufficient to protect them from the incursions of the Danish pirates, but not powerful enough for the protection of their commerce, which soon dwindled away. Every one was fearful of trusting his fortune in commercial enterprises, when pirates were hovering upon the coasts, and riding boldly and fearlessly on the high seas, committing depredations upon the infant commerce of all nations. Maritime adventure was consequently confined in its operations; and commerce cannot exist and flourish, when its boundaries are settled, and lines drawn around a narrow circle, beyond which it must not extend: its limits must be infinite; it must be fettered by nothing save the broad principles of international law; guided by no rules save those of eternal justice; no narrow policy should obstruct its progress; its course should be free, but not unprotected.

As commerce died away in England, the inhabitants maintained less intercourse with their neighbors on the continent; and literature and the arts, which under the protective system of Alfred had sprung up with rapid growth, soon drooped and disappeared: and England was fast losing the rank she had gained among the nations of the earth, when William the Conqueror subdued her, and opened the way to all her future greatness and commercial prosperity.

From this time is to be dated the intercourse of England with Southern Europe, and particularly with France. From the conquest commenced the slow, gradual extension of her naval power, which now sweeps every coast, and rides on every sea. From this time, also, may be dated the beginning of that enlarged commerce which forms such a mighty source of the revenue of Great Britain, and which constitutes so vast an amount of the capital of its citizens. And from nearly the same era may we date the commencement of the Christian religion, which is now taught in almost every clime to which the commerce of enlightened nations extend; and at this time also, did the introduction of knowledge and intellectual refinement take place, which have since worked such great changes in the mind and nature of man. The commercial advancement of England after the conquest was slow, but mercantile enterprise proceeded onward with the sure and gradual strides of ultimate success. Under the influence of the feudal system, which then prevailed, commercial pursuits were retarded, and often discouraged. The Normans had been so long accustomed to the glitter of arms, the clashing of steel, the glory and magnificence of successful war, and to the absolute domination and rule of empire, that the peaceful employment of commercial life presented but few charms to their rude imaginations, and the trading citizen was viewed with contempt by the haughty soldier. But when the

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internal laws of England were reduced and consolidated into a system, and its jurisprudence had begun to assume the elevated tone of justice; when the administration of the laws, although feeble, had become more uniform and impartial, and civil right was less trampled upon by military power, the spirit of commercial adventure revived, and its influence spread throughout the kingdom. Until commerce poured in her infant stores, the inhabitants of England had possessed none of the elegant refinements which mark enlightened civilization; but few of the necessaries of life were known, and a barbarous magnificence was enthroned in intellectual desolation: but when, under succeeding monarchs, the intercourse of England with foreign nations opened a wide door for the embarkment of private fortune in mercantile pursuits; when the broad mantle of international law encircled within its protecting folds the genius of commerce, the rich freighted ship was wafted in peace and security, and bore its golden treasures, both physical and intellectual, from every country and every clime.

The reign of Edward the Third marked a great change in the commercial character of the English people. This monarch formed an extensive confederacy with the Continental states, which opened a wide intercourse with the Low Countries and Germany. The acquaintance with these nations, spread out to the astonished minds of the English people, the immense wealth, power, and grandeur, which commerce bestows upon the nations by whom she is protected and encouraged. At this time, situated in the midst of the European powers, surrounded by the rude, the mighty but half crumbled monuments of feudal barbarism, reared amid the gothic superstition of the age, towered the commercial riches and naval strength of Flanders. But a short time previous, and this nation was enshrouded in the darkest ignorance, and the most gloomy superstition prevailed: the latent energies of its people were chained down by the rude strength of the feudal system, and the spirit of adventure was crushed by the tyrannical laws imposed upon its inhabitants by the military lords who reigned masters of the soil. But the situation of this country made it impossible to fetter forever the natural advantages with which it had been favored by Providence. Situated between the Mediterranean and the Baltic, the kingdom of Flanders soon became the medium of communication between the coasts which border upon these mighty seas; and when once the great commercial advantages of this country became known to its citizens, the chains of ignorance and despotism which bound them were burst asunder, the infant genius of commerce reared itself in slow but mighty grandeur, and the warlike spirits of those whose minds were still wedded to the magnificent chivalry of the age, was transferred from the gloomy castle, and the glorious theatre of knightly deeds, to the proud war-ship which reared its mighty bulk for the protection of a nation's youthful commerce. When Edward ascended the English throne, Flanders shone brilliantly forth among the sovereignties of Continental Europe, first in commercial wealth and greatness, strongest in naval power, farthest advanced in manufactures and the arts, and the most cultivated and refined in the intellectual character of her people. The comprehensive mind of Edward at once saw the cause which had worked such mighty changes in the prosperity of this nation, and in the intellectual character of its inhabitants. He saw the incalculable advantages which must inevitably result from trade, commerce, and manufactures; not only in enriching his people, and extending his strength and the glory of his empire, but in ameliorating the moral, physical, and intellectual condition of his coun-

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try. Deeply impressed with the importance of these considerations, all the mighty energies of his acute and discerning mind were brought into immediate and active requisition for the advancement of his great purpose. By holding out the most brilliant and flattering allurements, he induced Flemish artisans to settle in England, and commenced the manufacture of woollen cloths in his own kingdom; and feeling confident that his own subjects possessed strong energy of mind, together with genius, not glittering but useful, he first turned those qualities to cultivating a knowledge of the arts and manufactures, and thus laid the foundation for that glorious superstructure, which at present forms so large a portion of the immense wealth and prosperity of the English nation. By a course of national policy, which characterizes this monarch as one of the greatest and most profound statesmen that ever filled the throne of England, he succeeded in rearing establishments for the manufacture of English products; and instead of selling the raw material which was raised on English soil, to enrich the citizens of Flanders by its manufacture, rich cloths were made in England; and after supplying the wants of his subjects, the remainder was sold on the continent, and articles of foreign manufacture taken in exchange.

As the arts and manufactures increased, ships were built, and commerce advanced with rapid strides; the enjoyments of civilized life were communicated to distant nations; a more liberal and enlightened tone of feeling pervaded society; and the Christian religion began to shed abroad its golden light, softening the fierce and warlike nature of man. Nations began to look upon each other, not as enemies, but as neighbors and friends; and as commerce increased, and extended abroad its enriching influences, a common interest bound them together: Treaties were formed, mutual benefits and advantages were shared, protection to the vessels of all nations was guarantied by maritime powers, and freedom of trade was rapidly prevailing.

The monarchs, who for more than a century succeeded Edward, neglected the protection and advancement of the mighty plan which he had so skilfully and successfully laid. The minds of the English people were not yet prepared for so great a change in their national character; and nothing short of the mighty intellectual power and brilliant genius of Edward, could have effected what he accomplished. There was still too much of the pride of feudal aristocracy existing in England, too much love of warlike pomp, and not enough of real liberty, to render mercantile pursuits profitable, safe, and honorable: the rights of the citizens were not yet defined with sufficient certainty; the power of the nobles was too arbitrary; the king's prerogative too mighty; and the liberty of the weak too often violated with impunity.

From the time of Edward's death, until Henry the Fourth mounted the English throne, civil wars, intestine dissensions, and military power, prevailed; and turbulence, violence, and injustice, marked the years as they rolled on, increasing arbitrary power and military force, and blackening the bright rays of intellectual light, which were beginning to shed a softening influence over the rude spirit of the age, and crushing and destroying the infant form of commerce in their rude embrace. When Henry ascended the throne, commercial prosperity again revived; his policy was provident, vigilant, and wise; and he promoted the interests of commerce to the utmost of his power—he encouraged the arts and manufactures, and by his wisdom and perseverance, effected a great alteration in the character of his

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people. The mighty advantages which a rich commerce and a powerful navy would bestow, the great national benefits to be derived from trade and manufactures, were known and appreciated. The spirit of contempt towards those engaged in trade, manufacture, and commercial adventures, which had so universally prevailed among the higher classes, had somewhat abated; and as the introduction of the necessaries and luxuries of civilized life became more general, and their use more universal, the source from which they sprung was clothed with more privileges, and was thought more worthy of just and beneficent laws. The settlement of foreign merchants in England was encouraged—rights and privileges were afforded them—and their personal security, and personal property, were protected by liberal and enlightened laws, and a wise system of internal regulations.

During this reign, a commercial treaty with the Hanse Town merchants was formed upon the basis of mutual benefit. English Factories were established in foreign parts, affording immense opportunities for increasing commercial prosperity, and securing for those engaged in mercantile pursuits large privileges and rich emoluments. This was a part of that great system of powerful foreign commercial establishments, which has since reached the most remote portion of the habitable globe, constituting a source of wealth and power almost infinite. With the increase of commercial prosperity, and the introduction of laws necessary for its protection and advancement, literature and learning revived, and by their influence, although mingled with the superstition of the cloister, aided powerfully in polishing the rude minds of the haughty barons, and paved the way for more enlightened legislation, and produced a greater regard for civil, political, and religious rights and privileges: a greater refinement was introduced, and the sword was appealed to less often as the arbiter of justice. Through the agency of commerce, and the intercourse which it opened with foreign countries, ancient literature was redeemed from the dust of ages—snatched from the hand of the rude destroyer, and transferred to nations, whose enlightened people, glorious institutions, mighty power, and religious observances, show with conclusive force the influence it has exerted.

The materials for the creation of commercial adventure had been, for many years, slowly and steadily forming, throughout all the maritime countries of Europe. Visions of golden prospects were revealed, in perspective, to the ambitious minds of those whose thirst for mercantile employment was excited by love of gain, while the nobler spirit of discovering new worlds, and benefiting the human race, actuated those whose natures were less sordid, and who possessed sentiments of a more generous and philanthropic character.

During the fifteenth century, almost every nation whose territory bordered on the ocean and great seas, possessed ships trading to foreign lands, which brought back to their respective countries rich returns for the risk encountered in embarking life and fortune upon the watery element. The English, under the wise but somewhat turbulent reign of Henry the Seventh, were carrying out those great plans of commercial advancement, and naval strength, which the giant mind of Edward the Third had conceived and laid. A more universal prosperity prevailed, and a greater equality of rights and privileges were established, than the English people had ever before enjoyed. So auspicious a time for the increase of commerce and naval grandeur, was not allowed to pass unimproved; and the king, by his covetous and grasping disposition, accomplished what the noblest energies

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could scarcely have achieved. The imposts upon foreign goods were exorbitantly high, and extravagant in the extreme; and the revenue afforded to the king, was in proportion to the shipping employed in importation: to increase the commerce of England with foreign nations, for the purpose of filling his coffers with gold, was the sole aim of this monarch; and towards the attainment of this object, the energies of his mind, together with his kingly influence, were directed. He concluded commercial treaties, which operated beneficially in promoting the commercial prosperity of the English nation; and although his intercourse with foreign governments was not marked by that lofty and liberal policy, which characterizes the truly noble mind and great statesman, he evinced a profound desire to settle the commercial relations of his country, with foreign powers, upon a broad and equitable basis, which should secure to his subjects safety and universal justice. Previous to his reign, the building of ships had been much neglected, and most of the foreign trade of England had been carried on in foreign vessels: but great advantages, exclusive rights, and superior privileges, being conferred upon those who should prosecute their trade in English ships, the construction of vessels rapidly increased, and the English merchant ship rode the mighty deep, freighted to the wave with the riches of foreign lands. A new class of men had now sprung up in the English nation, and was fast increasing in wealth and influence. It was composed of the merchants and manufacturers. Commerce began to shower forth its benefits in golden profusion, and to confer its riches with no meagre hand. Mercantile pursuits were considered more honorable, and were viewed with a more enlightened consideration by the haughty noble. The merchant was now chosen to sit in the high legislative body of the nation, and the commons were often clothed in titled dignity by their sovereign. A more extended intercourse with foreign countries, growing out of commercial relations, had expanded the mind of man, enabling him to comprehend and appreciate a broader and more enlightened system of national government, and a more just basis of international rights. About this time the invention of the compass increased still farther the spirit of maritime adventure, for purposes of commercial advancement and foreign discovery. The rich commercial cities of Venice and Genoa, had hitherto monopolized the immense trade of the western world to India. Enjoying in security the brilliant yet solid advantages which this traffic afforded, these cities had reared themselves to the pinnacle of riches and power. Their citizens lived in the midst of princely splendor, and were surrounded with almost regal pomp and magnificence. The vast advantages resulting from the exclusive trade of these Italian republics with India, and the incalculable riches which their citizens derived from commercial pursuits, was viewed by the sovereign of Portugal as a powerful reason for endeavoring to supplant these cities in the enjoyment of a portion of this rich traffic. Portugal had been governed by a succession of princes, who, by pursuing a broad and liberal policy towards their neighbors, and conferring upon commerce peculiar privileges, and clothing those engaged in it with exclusive rights, had gained for their country a high rank among the maritime powers of Europe. Believing that a new passage could be discovered to India, by which the trade of the Italian cities to that country could be partially cut off and destroyed, and its rich products diverted into the hands of his subjects, the sovereign of this kingdom engaged nautical adventurers, to proceed along the extensive coast of Africa, and endeavor to trace out a new path to India, and thus open its stores to the enjoyment of his people, and

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for the advancement of their commercial prosperity. In a few years this great object was accomplished, a new highway across the broad ocean to Oriental India was explored, and the glory of its accomplishment, and the treasuresit opened to the maritime nations of western Europe, were the rich results of this glorious scheme of commercial aggrandizement.

In that age, the discovery of this country, by Columbus, opened a wide field for commercial action, and furnished the most powerful incentives to trade and adventure; displaying also rare and varied materials for improving the human mind, and enlarging the comprehension of man.

While almost every maritime country was engaged in cultivating enlarged commercial relations with foreign nations, and endeavoring to maintain peace and amity with its neighbors; while the sovereigns of Europe were vying with each other in naval grandeur and strength, and striving to attain the foremost rank in commercial prosperity; while the supreme power of each nation was revising and improving its system of internal laws and regulations, and rearing the fabric of free and equal justice—France seemed to have rolled back towards the gothic age of rude barbarism. In the king of this country centred arbitrary rule, and despotic right; he had wrested from the nobles their strength, and with it, had swelled his own power. There existed no middle class: all below the nobility were slaves; and even the nobles possessed little, if any real power. Their superior privileges existed but in name, their rights were merely nominal, and their property depended upon the nod of an imperious monarch: the king had destroyed every element which could advance the happiness and prosperity of his people; he neglected their commercial interests, and crushed the spirit of trade and adventure; by his measures, he discouraged the arts and sciences, and repressed the rising energies of his nation. All the maritime countries of Europe were towering upward in commercial riches, naval power, and intellectual greatness; while France, whose situation was unrivalled, and whose natural resources were of a mighty character, remained a dark spot upon the map of Europe. The rule of despotism was laid upon the nation, and the spirit of commerce withered under its influence; no laws were made, save those tending to the perpetuation of monarchical strength: no measures were proposed, except those calculated to foster consolidated imperial power. The nobles of the realm had conveyed away their rights; and the prerogative of their king frowned in infinite might upon the structure they had reared. Under such influences, commercial adventure could find no foundation upon which to rest; that portion of the French people, whose rank in life would have permitted them to engage in mercantile pursuits, were prevented by their poverty; and those who possessed sufficient fortunes were deterred by their connexion with the nobility, who considered traffic of any kind mean and degrading.

Could the rude, uncultivated minds of these ignorant nobles, have appreciated the amount of wealth and luxury which foreign commerce bestows upon a nation; could they have foreseen and comprehended the enlightened change which intercourse with distant countries creates in the intelligence of man—commerce would have been encouraged, and by uniting in physical strength, their king would have been coerced into the pursuit of a more liberal policy. But the spirit for military action was still strong on the continent of Europe; and especially to the minds of the French people, did military life present charms. The age of chivalry was too recent to leave the mind free from its influence; deeds of warlike renown shone through the

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mists of past years; and knightly achievements glittered to the rude fancy, and fascinated the imaginations, of those who were not yet taught to love the quiet enjoyments of civil life, and to appreciate the gifts bestowed by peaceful occupations. Where the influence of commerce is once experienced, and its advantages appreciated, the most turbulent spirits will become settled, and the greatest disorganization assume a consolidated system: and this follows from the most powerful considerations which actuate mankind—the love of riches; for when the citizens of any nation have embarked large sums in mercantile adventures, and while their fortunes are composed of property of a fluctuating, uncertain nature, no efforts will be spared for the maintenance of peace and internal quiet, and for the promotion and continuance of sound and beneficial laws—no energies will be left untried to secure a uniform system of international right, and to place commercial relations with foreign powers upon the broad principles of justice, recognised and enforced by the laws of nations. And when the introduction of commerce, manufactures, and the arts, into any country, creates wealth and riches, and forms the subject of internal legislation; then will the frame of a wise and uniform system of national laws be adopted, their injunctions will be respected and obeyed, and the minds of the inhabitants assume a peaceable character. The truth of these positions, with reference to maritime nations, is forcibly exemplified, when we look abroad upon the commercial kingdoms of the earth; and so powerful are the interests which bind them together, that in the present age, it would require the most urgent and mighty causes, to induce any commercial country to declare war against its neighbor. Under succeeding reigns, the constitution of the French Government underwent many judicious alterations; and the close proximity of England, enabled France to see clearly and distinctly the great causes which were producing such a mighty and universal change in the prosperity of the English nation. There existed a vast difference in the national character of the two countries; but as far as such dissimilar materials would admit of the same practical application, the government of France bestowed upon its merchants privileges as beneficial and universal, as were conferred by the laws of England upon its own citizens; and as the disabilities under which commerce had existed were swept away—as exclusive rights, and peculiar protection was extended to those engaged in mercantile and manufacturing employments—commercial wealth and prosperity rapidly increased throughout the French nation: manufactures were encouraged—the arts and sciences sprang into existence, and flourished—and the dark cloud of bigotry, superstition, and error, which had so long spread its gloomy mantle over the mind of the nation, was dispersed by the bright sun of commercial prosperity.

The commencement of the reign of Henry the Eighth, in England, was characterized by no monarchical or legislative policy, which tended towards intellectual refinement or commercial greatness; it was marked, however, by a degree of courtly pomp and splendor, together with a luxury and magnificence, which required the aid of foreign riches to gratify; and without the assistance of government, the spirit of private adventure prompted a trade to foreign and far distant nations, for the purpose of obtaining luxurious commodities to gratify the extravagance which reigned. Thus did the dissipation and regal vice in which this monarch lived, create a foundation for trade, manufactures, and foreign traffic, which the measures of his government contributed so little to promote; and the spirit of foreign enterprise in which

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his father enlisted all his energy and influence to create, grew and flourished without monarchical attention or cultivation. The seeds of commercial wealth and grandeur had been sown in a rich soil, and had taken root so deep as not to be easily eradicated. The prosperity of the English nation depended upon the increase and success of its commerce, and the liberty and happiness of its people had become identified with a system which created powerful inducements, and formed mighty considerations for liberal and enlightened legislation, and gave birth to wise and impartial jurisprudence. Previous to this reign, English merchants had no settled establishments for mercantile purposes in the New World, and in this respect were far behind the Spaniards, who had taken possession of the extensive island of Cuba, and were fast increasing in wealth, independence, and power ; and by their enterprising and far-reaching spirit, had discovered and secured the vast treasures which an exclusive traffic never fails to bestow.

Perceiving the golden returns which so extended a trade conferred upon those engaged in it, and looking to the ultimate advantages which his country would acquire from its advancement, Mr. Thorne, one of the most wealthy and influential merchants in England, and who possessed a bold, adventurous spirit, which no disappointment could dampen, projected and established a factory in Cuba, and was the first Englishman who could claim the distinction of creating a commercial settlement in the new world.

The opportunities which his situation afforded him, for the acquirement of information to open a still wider field for commercial adventure, were improved, and immense sums were lavished for the advancement of knowledge, calculated to facilitate the growth and advancement of foreign commerce to the western continent. The glorious example which this noble, disinterested merchant afforded, was imitated by others, eager for the acquirement of fame, or desirous of accumulating wealth and treasures.

A traffic with the Brazilians was opened by Hawkins, father to the renowned voyager, and directing his course across the broad bosom of the ocean, he surveyed new coasts, and discovered new lands.

The spirit of commercial adventure had taken a powerful hold upon the minds of the English people, and the brilliant and useful advantages which commerce had bestowed upon the nation were deeply felt and fully appreciated ; they saw the glorious structure composed of riches, power, and intellectual greatness, which it had reared in the heart of their country, and experienced the ameliorating influences it had bestowed upon their social condition; religion, aided by its power, and fostered by the general intelligence it had created, shed its soft, calm light, upon the mind of man ; and learning opened its enlightened gifts to all, and the weak and humble citizen shared the bounty of a wise and liberal policy of national laws, in just equality with the powerful noble.

The immense wealth and increased power which Portugal had acquired from its lucrative trade to India, induced English mariners to attempt the discovery of a north-west passage to that country; stimulated by love of gain, acting under the influence of ideas powerful and comprehensive, and urged and encouraged by the expanded and enlightened views which maritime adventure had opened upon the mind, the undertaking was made, and its projectors disappointed by its failure ; but for every attempt which, like this, was fraught with misfortune and loss, numerous instances of the most brilliant success could be pointed out ; and, instead of damping the commercial ardor of the age, it served to excite a still deeper love of nautical science,

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and to impress upon the mind with greater force, the necessity of learning and comprehending the art of navigation.

At this time the reformation had commenced in England, and was moving onward with rapid and gigantic strides; and whether its success was the offspring of the rapacious spirit of Henry the Eighth — whether he shook off the papal yoke from pride, or whether he was induced to favor the protestants from considerations of a religious nature influencing his mind, are questions of minor importance; for, without the co-operation and assistance of his subjects, he could have effected nothing. And had the English people labored under the dark ignorance, the blinding prejudices, and the want of intellectual knowledge which prevailed before intercourse with foreign countries, and an acquaintance with the constitutions and laws of distant nations, had enlarged their views and expanded their minds, enabling them to comprehend the immense advantages to be derived from an enlightened and liberal change in national policy and internal system, without at the same time causing them to apprehend danger and destruction from the introduction of innovation and novelty—the brilliant and happy results which have flowed from the reformation would have been unknown, and the intellect of man would now be chained down in the darkest ignorance and most fatal error. But the terrors of popery were met and conquered; the elements set in motion by the conflict were hushed; the advocates of protestantism became less violent; society assumed a more liberal and enlightened tone; and the security of the citizen was guarantied by a more uniform and impartial system of laws and national policy. From this time the prosperity of the English nation steadily advanced; the powerful fabric of popish strength had been levelled to the earth, and its influence scattered and destroyed; that ecclesiastical policy which declared commercial pursuits and religion incompatible with each other, was annihilated, and the genius of commerce was reared in riches, wealth, and greatness, upon its ruins. Nothing now remained to retard the prosperity and growing wealth of the English nation. Every obstacle to the increase of foreign commerce was removed; treaties of the most beneficial character were entered into with foreign powers; maritime rights and privileges were claimed and acknowledged; and the laws of nations, and the principles of international policy, were settled and established.

NEVER TALK OF YOUR DESIGNS TILL THEY HAVE BEEN ACCOMPLISHED, AND EVEN THEN THE LESS YOU SAY THE BETTER.—This is a very important caution for the merchant or man of business. Some persons are naturally so talkative that they no sooner form a design of entering into a speculation, or following some particular branch of trade or commerce, than they take the earliest opportunity of acquainting all their friends with it. By giving way to this weakness, you put it in the power of others to forestall you, and those whose interest interferes with yours, will do all they can to disappoint you for their own advantage. In this respect, the example of GIRARD, the Napoleon of commerce, is worthy of all imitation. No man ever heard him boast of *what he would do.* He remained quiet and silent till the time came for action, and then he struck the blow with an unerring aim which insured him success. As a merchant, he was inquisitive, active, prompt, and sagacious: studious to learn all he could from others, and as careful to impart nothing in return.—*Foster.*

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Art. II.—THE MERCHANT SERVICE.

Having seen much of the Merchant Service, and witnessed the want of system and economy in its administration, I have thought that some suggestions, on this important subject, might be acceptable to such of the readers of the Merchants' Magazine* as are connected with the mercantile interests of the country.

I have always entertained the opinion that the owners, masters, and crews of merchant ships, would be mutually benefited by the adoption of a uniform system of equipment and disbursement, and the idea occurred to me more forcibly very recently, when we had reason to anticipate a war with a great and powerful nation; in the event of which, those vessels that ventured beyond our ports, unattended by convoy, must of necessity have been well armed and manned; and the want of that order and discipline so indispensable in armed vessels, would have rendered the precaution of arming them almost useless. Although there is now but little prospect of war with any power, yet as some benefit may be derived from the discussion of the subject, I shall endeavor to point out such improvements as may tend to the interests of the owners, and essentially promote the comfort of all concerned.

No one can find fault with the construction, the masting, the rigging, or the internal arrangement for the accommodation of the officers and crew, or the stowage of the cargo of our merchant ships; they are admirable in all these respects, and are generally commanded by experienced, gentlemanly, and faithful men. In their outfit and discipline there are many imperfections, which may easily be corrected, and grievances on the part of the officers and crew, which ought to be removed.

I do not intend to impute to ship owners any contracted or sordid views. As a class, I believe them to be high minded and liberal, and I am convinced that they would most readily adopt any suggestions calculated to ameliorate the condition of that devoted class, to whose patient industry, and exposure to perils and privations, may be mainly ascribed the unparalleled prosperity of our commercial interests. As one familiar with the merchant service, but in no way connected with it, I trust that my remarks may be received in the spirit of fairness, by which they are dictated.

I propose, here, to suggest such ideas as occur to me on the subject of enlisting men, and their condition while on shore, reserving for a future occasion the subjects of their moral improvement and instruction, and their discipline and treatment ashore and afloat, embracing the collateral points of provisions and clothing.

With regard to the mode of enlisting men, a prominent evil prevails, in the correction of which the most serious obstacles are presented. It would be found difficult, under existing circumstances, to rescue sailors from the influence and rapacity of their landlords, or as they are more usually termed crimps, and at the same time secure the services of these men, in the prompt enrolment of crews for outward bound ships; even in the naval recruiting service, with all the checks that are systematically put in force to protect the interest of the sailor, it is not unfrequently the case that a recruit is taken to the receiving ship, after having been fleeced of the earnings of his last voy-

* Originally written for the Naval Magazine.

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age, and brought in debt to the whole amount of his wages, advanced at the moment of enlistment.

The writer has known instances in which sailors have been discharged from ships of war, with abundance of clothing, and balances of three and four hundred dollars in their pockets, and, in four days, have presented themselves at the rendezvous for reshipment, without money or clothes, and with a bill against them equal to their three months advance. Many attempts have been made by officers, to induce these misguided men to save their wages, and they have succeeded so far as to prevail on many to deposite considerable sums in the Savings Bank; but the moment they have been separated from the influence of the officers, they have been persuaded by the harpies around them, to withdraw the whole, and expend, in a few days, the hard earnings of as many years.

It would be easy to fill a volume with a relation of the various tricks put upon sailors to rob them of their money. Jack is aware of the character of his enemies, but heedlessly abandons himself to their wiles, spends his few days of comparative wealth in drunkenness and riot, and awakens from the debauch pennyless, and suffering all the torments of the "horrors."

Sometimes we see an old tar, who has been many a time cheated by these scoundrels, steering clear, as he imagines, of the "land sharks;" but, instead of being fleeced by his landlord, he is robbed by coachmen, and other idle rogues, who hang about the taverns and grog-shops frequented by sailors; so that, in the same short time, his money disappears.

All sailors are fond of coach-driving, and many aspire to the more adventurous exercise of riding on horseback, to them the very extreme of daring; and a few have even attained the high privilege of riding their own horse. A well known sailor in the Navy, Jack Hamilton, often laid aside a large portion of his wages for the purchase, on his return from sea, of a horse. He imagined himself an excellent judge of horse-flesh, but, like many others of the same pretensions, was invariably cheated. At last, however, he secured possession of a steed which soon won all his affection. This was an old, broken-down, black coach horse, with a long tail. On this trusty animal —trusty, because he was sure never to put in bodily fear his lord and master by any extraordinary feat of activity—Jack was wont to display himself in Broadway, about noon, making his quaint remarks upon the belles and beaus as they drifted up and down the side-walks. But this happiness could not last long; his money was soon gone, and he must go to sea for more. He could not think, however, of permitting his favorite black to fall, again, into the hands of land lubbers. So he put him out to board, and left a half pay ticket for his support, while absent on another three years cruise. He had forgotten, however, or perhaps never knew, that the age allotted to a horse was not three-score and ten; and, as the nag was sinking into the vale of years when he became the property of his last and kindest master, he did not survive to welcome him back from sea.

Jack, on his return, gave to the memory of the old black a few sighs, and has since continued to prove the sincerity of his affection, for he has never bestrode another steed. He was his last love, and he has remained as true to him, to use his own language, "as the needle to the pole."

It is a singular trait in the character of sailors, that those who are the most economical at sea, are proportionally improvident when they get ashore. I knew, many years ago, a fine old seaman, captain of the waist on board one of our frigates, who, when on shipboard, was a very pattern of parsimo-

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ny, and by saving had accumulated a large amount of wages. His period of service happened to expire while the ship was at New London, and he demanded and received his discharge. He went on shore with several hundred dollars, but, when there, knew not what to do. There were no villanous crimps, in that quiet place, to help him to spend his money; and he wandered half drunk about the streets, amusing, by his humorous sallies, the staid people of the town. At last he purchased an old wheel-barrow, into which he emptied the contents of the neighboring cake and candy shops, adding a goodly supply of toys and ribands; thus charged, he perambulated the streets with a crowd of laughing children in his wake, all willing to become his customers, since he distributed his wares gratis. In trundling his barrow about, the wheel was broken, but this annoyed him but little; he soon cleared the wreck, and substituted as a jury wheel, in its stead, a large white-oak cheese, purchased of the nearest grocer.

With this rig he continued his route. In a few days he had exhausted this source of amusement, as well as the contents of his purse, when he returned on board, and resumed with cheerfulness his former occupations, commencing again to lay up money for another cruise on shore.

Knowing, as we do, the character of these simple and confiding men, we can easily account for the influence exercised over them, by their landlords. So long as their money holds out, they are permitted to do as they please; but the moment the last dollar is expended, they become the slaves of these ruffianly tyrants. To procure food and drink they must have money or credit; and they soon contract a debt, which can only be liquidated by the advance, usually paid, to those engaging on a new voyage. Their clothing has probably been sold or pawned for liqnor, and they embark with hardly sufficient of raiment to cover their nakedness. Being debtors to the landlords, these men have an unbounded control over their movements; they can prevent their shipping, and, by combination among themselves, detain vessels for want of hands.

There has always been more or less difficulty in getting the crews on board of outward bound merchant ships. Many are put on board drunk, and incapable of performing any duty, for hours after the pilot had taken his departure. In the southern ports it is infinitely worse than at New-York. At New Orleans, for instance, sailors, in the expectation of obtaining higher wages, generally desert from the ship in which they are engaged to perform a voyage: and such is the want of energy, in the administration of the laws in regard to seamen, that punishment is rarely inflicted upon them for the most open infractions of engagements, to which the most important of our national interests require that they should be bound, at least as rigorously as any other class of men. Ships, in this way, are left without crews; and to enable them to prosecute their voyages, others must be obtained, upon the emergency, at any cost of trouble or expense. To this end the services of the landlords, the very men who harbor the runaways, are put in requisition, and these wretches, after trumping up a bill against the deluded sailor, thrust him into his new ship drunk and half naked. Thus he changes from one ship to another, after spending a week of debauchery in some filthy place of concealment, where he contracts a debt to his seducer, which he is constrained to work out by his last contract, unless he can contrive to desert again, and pass another week of riot.

Most vessels now sailing from New Orleans, are towed by steam-boats to the mouth of the Mississippi; and as each steamer takes several at a trip, the

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hour of departure is well understood, that all may be in readiness at the appointed time. It therefore behooves the captains to have their respective crews on board. To effect this the crimps are busy in bringing forward their men; but it often happens that some of the number have strayed from their dens of concealment, and are not to be found when the ship to which they are assigned is to depart, and it becomes necessary to have others in their place. It matters little to the landlord who he substitutes. Sometimes, when embarrassed, they will seize on any one in sailor's garb they may chance to meet; perhaps some drunken boatman of the river found asleep on the Levee. In the hurry and confusion of departure, which usually takes place in the evening, the trick is not discovered; and the poor wretch, when roused from his insensibility, finds himself at sea, perfectly unconscious of the voyage he is to make.

It is difficult to suggest any effective remedy for these and similar abuses. To improve the character of the landlords appears to be the most efficient course, and this can only be done by the merchants, by countenancing and employing the few among them who are conscientious and well-disposed, and by visiting upon the much larger portion, the vile and dishonest, the full penalties of the law, whenever these evil practices can be detected.

In a great city like New York, whose commercial wealth is second only to that of London, there should exist a competent court, devoted exclusively to that portion of the community connected with shipping, steamers, and river craft. It should be made the province of the magistrates of this court, to have cognizance of all misdemeanors committed, either on board vessels in the stream, or at the wharves, to keep a registry of all sea-faring men, and to exercise a general supervision over the conduct of landlords, crimps, sailors and watermen. But, in default of this useful tribunal, which it is not probable will very soon be established, the merchants, as a body, might constitute an agent to look after these concerns, whose duty it should be to superintend the enrolment and discharge of seamen; the arrival and departure of ships; the suitable supplies and stowage of provisions and water; the getting the crews on board outward bound vessels; assisting in securing those just arriving; and, in a word, to watch over the mutual interests of the merchants, masters, and sailors.

The well-directed efforts of these agents, when put forth, in concert with those of the "Bethel and Seaman's Friend Societies," would have an extraordinary tendency to defeat the artifices of the landlords, and benefit immeasurably the moral and religious character of seamen. We should no longer hear of combinations among them for higher wages; merchants would, of their own accord, pay them with a just liberality suited to the exigencies of the times, nor would ships be detained when ready for sea, at great expense, with the frequent loss of a fair wind.

The abuses which exist can, and ought to be, corrected. Captains and mates are not so much at fault in the case, as owners and their agents. We are constantly reading in the public papers, of large donations by merchants to various objects of benevolence at home, and in distant countries, but rarely, very rarely, do we hear of any having for their chief object the benefit of those neglected men, to whose hardy toil they are indebted for their princely fortunes. Do they fulfil to these the duties enjoined upon them, as faithful masters, watchful over the moral and religious condition of their servants? Do they give proper attention to their health and comfort? The answer must be in the negative. This neglect ought not, perhaps, to be ascribed to

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a want of any sentiment of justice or liberality towards seamen, among ship-owners. They would, doubtless, most promptly promote any measure, that should promise benefit to the sailor. Let them understand by what means this desirable object may be attained, and they will cheerfully lend their best influence to the work. Of this we feel assured; for among them, if there be a few ready to plunder Greek or Turk, Jew or Gentile, there are others as generous and open-hearted with their wealth, as the most heedless sailor in their employ.

Y.

Art. III.—THE COMPARATIVE IMPORTANCE OF AGRICULTURE, COMMERCE, AND MANUFACTURES.

It is a very important question, in political economy, how far government should interfere, with a view to control or direct the enterprises of individual citizens. We speak of enterprises in a general and comprehensive sense; and include what is usually meant by trade, business, commerce, and speculation. From the nature of man, it may be justly expected that there will be different employments, occupations, and pursuits, in society. And it is best it should be so. The division of labor, or labor for different objects and ends, is as useful as it is natural, and it is an equally evident truism, that every one has a right to choose his own pursuit or employment, in so far as it does not injure his neighbor or the community at large. A greater amount of product is the result of the action of this unrestrained principle; and every individual has also the greater satisfaction in his particular pursuit or labor.

In the early periods of society, there was probably very little restraint and very little interference with individual enterprise and employment. The only, or principal compulsion, was to oblige men to become soldiers, in many cases, for the glory of a military prince, whose commands the people were obliged to obey; or to labor on public works, undertaken by the pride of an opulent and powerful monarch. Commercial intercourse in the time of Solomon, and even five centuries before, between the east and the west, was chiefly owing to individuals. Though kings, who could command much, were often concerned in such pursuits, governments did not interfere for the sake of revenue, or to increase the wealth of the nation over which it was established. The consideration of personal profit alone stimulated the efforts and adventures of the merchants.

It is not intended to enter minutely into the great question of how far governmental regulations are necessary and proper in the concerns of trade. It were entirely needless. The subject has been often and elaborately discussed. A few desultory remarks are all that is proposed, in the belief that the interference of government is sometimes impolitic, and serves only to embarrass the regular pursuits of trade.

That labor and trade should be perfectly free, or that trade should regulate itself, is generally admitted to be a correct maxim in political economy. But it is said that there are exceptions to this general rule; and it is contended, that in certain conditions of society, and under particular circumstances which sometimes occur in the trading world, the government may rightfully and wisely interpose its regulations to add to the general prosperity, or to prevent great suffering among a large portion of the community. That such cases may exist, cannot be denied by those acquainted with the

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history of the commercial part of the world. The principal difficulty on the subject is, to ascertain when the interference of government is necessary or proper, and to what extent its regulations may be justly applied. There would not often, if ever, be an occasion for such interference and regulation, if some one nation did not first aim at a monopoly, or an exclusive benefit to itself, from mere views of interest and policy. No government has pushed the policy of restricting and regulating trade farther than the British. Yet many statesmen of that nation have been opposed to the system in theory, and have expressed a wish that it might be done away, or much mollified. In 1819, Lord Castlereagh, the premier, said in the House of Commons, "that the true interest of every country was, to throw wide open its ports to the unrestrained commerce of all other countries." Many were surprised at the declaration, for it was very different from the uniform doctrine and practice of Great Britain. Yet nothing but an artificial state of society, and previous long established regulations, could justly excite opposition to the opinion. Then, indeed, another nation may consider itself obliged to resort to restrictions, or to severe regulations, in self defence, or to prevent the disadvantages to its subjects arising from the restrictive monopolizing policy of such nation, with which it had commercial intercourse. In such cases, governments may properly and ought to adopt countervailing measures for the benefit of its subjects.

Prohibitory regulations by governments, designed for the special benefit of individuals, or of banking or manufacturing companies, or of a particular class of citizens, and without ultimate and chief regard to the welfare of the *whole* people, are manifestly improper, and cannot be justified. But the case assumes altogether a different character, and is proper and commendable, when the object is the general good—the permanent advantage of the nation. Then, the inequality of benefits which may result, is incidental to the system or policy adopted, and not intended. It arises from the superior enterprise and industry of individuals, or from what is often called chance, or good fortune, that certain individuals had chosen the pursuit or business which the government finds necessary to encourage for the prosperity of the whole nation. This consideration affords a sufficient reason for protecting the interests of commerce and navigation, at all times, so far as can be done without oppression, or taxes on individuals not engaged in such pursuits. It is also a justification of the policy of protecting domestic manufactures, with a similar limit or qualification. And for the same reason, may government extend favor and encouragement to agriculture, the chief source of the comfort and prosperity of a nation.

It is with such views, and with such limitations, that the favor and aid of government are granted to particular branches of business; and that it should do this for the purposes of national prosperity, will not be doubted by the intelligent and patriotic citizen. If a small portion of the community suffers by such legislation, or rather if some are less benefited by it than others are, this is no valid objection to the theory, or to the policy of adopting it.

This subject has been often presented in the national legislature, and the question decided by large majorities in favor of regulating trade with foreign countries, for the protection and advancement of domestic manufactures of various kinds. The question has been agitated chiefly with reference to cotton and woollen goods, and to the propriety, in a national view, of affording encouragement and aid to such manufactures, though all other works of ingenuity and utility have also received the protection of the government.

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Commerce and navigation were the first objects of attention by the national government; not so much, surely, for the benefit of those directly engaged in those pursuits, as for the prosperity of the whole country, and for replenishing the public treasury. The embarrassments and irregularity attending our foreign commercial intercourse, led to the adoption of the federal constitution; and to raise a revenue to meet the demands of the public creditors, without resorting to direct taxation, always unpopular and often odious, the congress looked chiefly to commerce. Its regulation, therefore, was an imperious duty, and special legislation was necessary on the subject. While the government and the United States derived immense advantages from it, it was but reasonable and just to afford it protection. Hence the discriminating duties between tonnage on vessels of the United States, and those of foreign countries, and sometimes the employment of a naval force to defend maritime rights and property. With similar views, and for similar purposes—the general welfare of the country—domestic manufactures were early encouraged, and the people indirectly taxed for their support, by high duties on such articles imported into the United States, as were here produced or manufactured. Had not this policy been early adopted, the country would now be comparatively poor, unprosperous, and dependent on foreign nations, to the great privation and detriment of the people. But the protection thus given by government to domestic manufactures, may be extended to an unreasonable degree; and the agricultural and commercial part of the community thought it was unduly increased by the act of congress of 1828, and that an inequality was the result of the system between the manufacturers of cotton and woollen goods, and other great branches or departments of business. The only question with impartial and intelligent men was, as to the degree of favor to be granted to these manufactures. For whenever it was afforded beyond a certain point, it was oppressive to the majority, and beneficial only to those engaged in such pursuits. The compromise act of 1836, grew out of the opposition to the high tariff on imports previously laid, and was generally acceptable to the people of the United States.

The important question which here presents itself is, whether the degree of protection afforded to manufactures by the federal government, has not had an unfavorable influence on the interests of agriculture. Has not a disproportionate amount of labor and capital been bestowed on manufactures, when the agricultural resources of the country are considered, and the advantages of an extensive cultivation of the soil duly estimated?

It is readily granted, that an increase of domestic manufactures, to keep pace with the growth of the country, is good policy. Where there are many persons employed in manufactures, the fruits of the husbandman's labors will find a ready market and a higher price. But here may be an excess. If, instead of cultivating the earth, still greater numbers devote their labors to manufactures, the products of agriculture will not be sufficient for the wants and comfort of the people; and the advanced prices of necessary articles of living will prove oppressive to those who are obliged to purchase them. The manufacturer may be well able to give the higher price, because his profits are greater. But those in other classes of society, and mechanics of other professions, are burdened, without means to support or remedy the evil.

While, then, due protection is afforded by government to commerce and navigation, and also to domestic manufactures, the interests of agriculture should not be depressed nor neglected; and why should not the latter be fa-

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vored by the general government, as well as the two former? That our country is susceptible of immense advances in agriculture, of very great progress both in the quantity and kind of products from the soil, no one can doubt. And it is believed that congress is constitutionally competent to aid and encourage agricultural pursuits as well as manufactures; having power "to promote the general welfare, and the progress of useful arts." Agriculture is truly an art or science as much as manufactures, and discoveries or improvements may be made in the former equally with inventions in mechanics. Agriculture has generally been admitted to be the most necessary of all occupations or pursuits. It is, indeed, essential to the comfort and welfare of mankind. The three great departments or branches of human labor are agriculture, manufactures, and commerce; but agriculture has the priority. As men become civilized, the two last are important, and will be encouraged as society becomes improved. What is ornamental and convenient, will be added to what is necessary.

If agriculture be capable of great advances and improvement, then is it justly worthy of the aid of government. All nations have acknowledged this, and acted in some measure on the conviction. That eminent statesman, Governor De Witt Clinton, said in his public message to the legislature of New York, in 1819, "that agriculture was the most important of all *arts*, and the most useful of all sciences, and deserves direct encouragement of the states. It is the foundation of wealth, of power, and prosperity, and should be encouraged as well as schools, or internal improvements of any kind." He recommended a board of agriculture to be appointed by the government of the state. The attention of the legislature of Massachusetts has long been turned to this object. Large sums have been granted, for many years, to agricultural county societies, and to a state society, for the improvement of the soil, the cattle, etc., by the laborious yeomanry of the commonwealth. The bounty on wheat, by several of the states, is a wise measure, and has produced happy effects. And why should not the federal government lend its aid to the same objects? Why not appropriate the proceeds of the sales of a certain portion of public lands for this purpose? The high rate of duties on imported articles and goods was designed and operated as a bounty upon domestic manufactures; and these have added to the prosperity of the country. But we do not wish to be a manufacturing people for the rest of the world. All which is needed for public wealth and general comfort, is such a measure as to prevent our entire or chief dependance on other nations, and a portion to export in exchange for articles from other countries, which will add to the real enjoyment or ornament of society. We had better have our workshops and factories in Europe, as Mr. Jefferson once said, than have our rich and fertile soil, a mere location for artificial products for the rest of the world. A great and chief employment should be agriculture. It is favorable to health, and morals, and to republican liberty. And where one man or woman is now thus employed, there had better be ten. Where one bushel of wheat is now raised, there might and ought be ten. We had better raise grain for exporting, than cloths. The increase of agriculture will not prove detrimental to commerce; nor indeed, necessarily, to manufacture. But is it not worthy of inquiry, whether less investment in manufacturing establishments, and fewer hands employed in them, and more in agriculture, would not be for the permanent prosperity of the nation, and much more favorable to morals, and therefore, to the peace and stability of our republic? Let manufactures be supported, and even extended, as the coun-

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try increases in population; but let them not be considered the highest object, or worthy of the greatest anxiety to be enlarged.

The soil of a great part of the United States is favorable to agricultural pursuits, and great improvements may be yet made in the manner of cultivation, and the products to be raised. Most parts, even of the New England states, might be made to produce double and treble its present amount and value. Some states might easily increase their products seven fold. And we need not fear a surplusage. Europe will afford a market. England and France, some years, may stand in need of ten times the amount which we now usually export there.

Great Britain is as much indebted for her prosperity and wealth to agriculture, as to her commerce and manufacture; and the government there has long given protection to the interests of agriculture. We do not wish to have the agricultural interests predominate, certainly not to be cherished to the injury or diminution of manufactures and navigation. But the farming interests seem not to have the high estimation and comparative value which they deserve in such a country as this. These interests have been too much neglected by the government; and the attention of public spirited men is therefore invoked to the subject. If the federal government cannot agree to afford aid, or in what particular way to give it, let it furnish funds to each state for the purpose, and leave it with the legislatures of the several states to appropriate it in such manner as shall be considered most useful to the whole people. We advocate not the policy of cramping commerce or manufactures; we plead only for a share of attention to agriculture, corresponding to its vast importance and essential value.

Art. IV.—LANDLORDS AND TENANTS.

The rights and privileges which the law confers upon landlords, and the heavy obligations and liabilities it imposes upon tenants, are considerations of the deepest importance to those upon whom these vastly disproportionate responsibilities devolve.

Under our republican institutions, there is no class of men who are so abundantly and amply able to sustain themselves, their families, and their fortunes, unprejudiced and uninjured, as the landholders, and yet they are the very persons whom the law delights in selecting as its especial favorites, and who are made the recipients of a profuse legal bounty, which flows in no other direction, and favors with its beneficial influence no other portion of community.

When we reflect upon the immense risks to which the property and fortunes of the merchant are exposed, when we view the uncertainty and change attendant upon the varied and extensive operations in which he is engaged, and take into consideration the diversified shades of human character, in which, whether light or dark, he is often compelled, in the course of his various dealings, to repose confidence and trust, we are impelled by the strongest feelings which justice and morality can awaken in our natures, to acknowledge that he whose whole substance is often exposed to the destructive action of the elements which hover around mercantile adventure, is equally entitled to the fostering protection of our enlightened legislation, as

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the individual whose fortunes are safely invested, and their rich interest permanently secured, with the earth itself as an everlasting bond. But however much it may be deemed repugnant to the genius of our institutions, the professed wisdom and liberality of our republican legislation, and the assumed equality of our laws, it is equally true that the holder of real estate is permitted to enjoy many highly important privileges and benefits, in which the rest of society are not allowed to participate. Upon what principle of morality, justice, or even expediency, this glaring partiality evinced by our laws is justified, it is impossible to determine; and yet this violation of the plainest and most obvious rules of natural and inalienable right, is continued and perpetuated without inspiring in the minds of a suffering community the smallest portion of that indignation, which would be aroused and called into hostile action to any other measure, embodying but half the tyranny which centres in this branch of our jurisprudence.

The most powerful and effectual weapon which the landlord wields, is the instrument of distress; and through its influence he is morally certain of obtaining his rent, which misnamed justice permits him in this manner to acquire. In effecting his purpose, this weapon is in his hands a two-edged sword, for he may not only deprive the family of his unfortunate tenant of the last article of property which the law allows him to take, and turn his victims homeless and penniless away; but the innocent neighbor, who from motives of kindness and benevolence lends his friend articles of furniture, for the purpose of enabling his family to enjoy the comforts and conveniences of civilized life, is liable, under our existing laws, to pay dearly for his good nature, by having his property taken to swell the catalogue of a landlord's riches. This summary mode which the law allows a landlord to adopt, for the purpose of securing his debt, is rightly called a distress. It was correctly christened at its birth, and from the cradled child to its giant manhood, no discredit has been suffered to tarnish its name.

From the remotest age in which this agent of the law has been used, down to the present time, it has been the widow's curse, the orphan's fear, and the fruitful source of misery and wretchedness. It sprung from a barbarous age, where the rich and the powerful military lord prescribed unequal and harsh laws for governing the humble and weak tenants of his wide domain. It originated in despotism, and arose out of a system of feudal tenures, whose every feature has been annihilated and destroyed, save this last lingering relic of tyrannical power.

The superior privileges which landlords enjoy over any other class of creditors, are a part of that ancient prerogative which the domineering lords of the soil exercised during the dark ages on the continent of Europe, and which was conferred upon the English and Norman barons by William the Conqueror, after he had subdued England.

Under this system of tenures, as they formerly existed, many degrading services were performed by the tenant, of the most menial character, which were exacted by the landlord under color of the arbitrary and despotic power vested in him by oppressive legislation. As the poorer classes advanced in a knowledge and proper appreciation of their civil rights, a portion of these tyrannical impositions were shaken off, and much of the degradation attached to the character of a tenant was abolished. The personal services and attendance upon the owner of the soil, which formed a portion of the disagreeable return rendered by the tenant for his occupation of the land, was superseded by an entire payment of money in their stead; and

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many of the revolting features, which marked the distinction between the rights of landlords and tenants, were annihilated. And how the right to distress, which was a natural incident to these ancient tenures, and has ever been a powerful engine of oppression in the hands of the landlord, could have escaped, unimpaired, the many mighty reforms which enlightened legislation has introduced, is indeed remarkable, and, shows with conclusive force the immense influence which the owner of the soil has always exercised in preserving this distinctive mark of his superior power.

This right of the landlord to distrain the goods of his tenant for rent, instead of having been narrowed and restricted by modern legislative enactments, has been extended and enlarged. And the great superiority of this remedy over that possessed by any other class of creditors, even as it existed at common law, has been still farther increased by statutory provisions.

It cannot be denied, that all laws should be so framed as to confer upon every member of society equal rights and privileges, and when the legislature of any state secures to one portion of its citizens superior franchises, while it denies their enjoyment to others, it violates the plainest and most obvious principles of universal justice, and commits a palpable outrage upon the liberties of the people.

When we examine the laws of this state governing the relationship existing between landlord and tenant, and view the notorious privileges possessed by the former over those enjoyed by any other creditor, we cannot fail to be deeply impressed with the important necessity of a radical change in this vital part of our jurisprudence. The laws, in this respect, operate with peculiar hardship upon the whole community, with the exception of that portion for whose benefit they are designed; and the interest of the humble and industrious citizen is sacrificed, and the property of his debtor taken, to enrich the haughty and opulent landholder. Almost every species of property found in the possession of the tenant, whether belonging to him or to any other person, may be taken for rent; and no individual is safe in depositing any valuable article with another, until he is satisfied by inquiry, that no rent is due upon the premises where his property is placed. It is true, that there are some exceptions to this rigorous rule, as in case of personal property deposited with the tenant after obtaining the landlord's consent; and also, where property accidentally gets strayed upon the demised premises, or where goods are deposited with a tavern keeper or in any warehouse in the usual course of business, or where an article is left with a mechanic for the purpose of being repaired, and also the property of boarders in taverns and boarding houses; in either of which cases, the landlord cannot distrain; but when property is lent, although but for a day, and is found upon the premises which are rented, the right to distrain it vests immediately in the landlord, and the innocent lender must suffer for his generosity and kindness. Can there be any reasonable ground for extending this right of distress so generally and universally? Is there any justice in declaring, that because one person loans to another a horse or a carriage to be used for one, two, or three days, that a grasping landlord shall be permitted to take advantage of the short time it remains upon his premises, and sell it to satisfy rent which has been three months in accruing? Is this extending the protecting mantle of the laws equally over all, and guarantying to society the uniform enjoyment of beneficial privileges? If such is the tendency of this kind of legislation, we must acknowledge our utter inability to view it in any other light than that of tyranny and oppression. The advocate and apologist for this

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glaring partiality in laws, which confer upon the landlord such unusual and arbitrary rights, meets us with the argument, that unless property in the situation we have mentioned could be distrained, multiplied frauds would be practised upon the landlord, and that his premises would be incumbered with goods, for storing which he could get no compensation. This objection is easily obviated: for, if we proceed upon the principle that property is liable to distress in proportion to the time and extent which it occupies the premises, then are we bound to acknowledge that the lien of the landlord upon such property can be extended no farther than is sufficient to satisfy him for the time it has remained in the possession of his tenant, and the amount which he could sell would be only commensurate with his lien.

As the law now stands, if the landlord is fearful that the tenant will not be able to pay his rent, he has presented before him the strongest possible inducements to engage him in enticing the unsuspecting to place their property in such a situation, as to enable him to reach it by using the means which the law justifies; and when once he has seized it within his grasp, the advantage which he has taken of his own wrong is legalized, and he may securely enjoy that of which he has inequitably deprived an innocent person. We are far from saying that the landlord is often guilty of dishonestly using the advantages with which the laws have clothed him; but whether he is so or is not, can be of little importance, as their impropriety in opening so wide a door for committing fraud and oppression is equally apparent, and the necessity of reform equally imperative.

Another revolting feature presented by this branch of our jurisprudence, is the immense hardship which often falls with great severity upon the under tenant; and here again is discovered the arbitrary prerogative which the landlord is permitted to wield. Let us suppose the case of a person who hires an entire building at a large rent, and underlets a small part of it. The landlord, at the time of leasing the premises, supposes his lessee perfectly responsible, and looks to him alone for payment of the rent, and in judging of his pecuniary means, he has greater facilities, and takes more trouble for the purpose of determining his solvency, than his sub-tenant, to whom the responsibility of the lessee is immaterial; when the rent becomes due, the lessee is unable to pay it, and the under tenant, having property upon the premises, is compelled to respond to the full amount due upon the whole building. This is a case of very common occurrence, and is highly unjust and inequitable; and the law, in obliging the under tenant to pay a sum so exorbitantly beyond that for which he was originally liable, is extremely tyrannical, punishing the innocent sub-tenant for the fault of the landlord in not taking from his lessee the requisite security; and as the under tenant is bound to pay his rent to the lessee, and cannot protect himself from distress by paying it to the landlord, he is not only compelled to respond in the full sum due upon the whole premises, but a portion of it is in this manner twice extorted from him. It is impossible to imagine any law more directly in violation of the broad principles of morality and justice, than the one here presented. It countenances and justifies the most palpable wrong, and is fraught with cruelty and oppression. The rights and privileges conferred upon the landlord in this respect, and the disabilities and hardships imposed upon the tenant, can hardly be paralleled, even in the despotic countries on the continent of Europe. The laws of France and Spain upon this subject, are much milder than in this enlightened and republican state. In France, the landlord can only recover from the under tenant the amount which he was to pay to the

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lessee. The principles of universal justice are here applied, notwithstanding the weight of monarchical and hereditary influence which prevails; and the rules of equity and right, which are considered applicable to ordinary cases of debtor and creditor, govern the relationship existing between landlord and tenant. By the laws of France and Spain, if the crops of the tenant partially or entirely fail, whether occasioned by war, civil commotion, or an unfavorable season, the landlord is bound to remit a proportionate quantity of the rent; and in these countries, if premises are rented, and the tenant, without any fault on his part, is deprived of their unrestricted enjoyment, the law compels the landlord to remit an equitable proportion of the rent originally reserved; and in Spain, it is doubtful whether beasts of the plough, and implements of husbandry, which are absolutely necessary to enable the tenant to prosecute his farming operations, can be distrained. These laws of the countries we have mentioned, are highly beneficial to the interests of the tenant, and cannot in the least prejudice the just rights of the landlord. They are founded upon the broad principles of natural justice, and are governed by sound and equitable rules. But in this republican land of boasted equality, the laws, in this respect, are based upon a very different foundation: it is here entirely immaterial whether the crops of the tenant are abundant, and rich returns are given for his toil, or whether they are blasted and his golden prospects entirely annihilated and destroyed, for he is still bound to pay his rent to the uttermost farthing. The law, in this case, makes him no allowance of equity, but compels him to bear alone a calamity which it was beyond his power to avert—and which would have fallen with equal severity upon the landlord, if he had been in possession of the soil, instead of his unfortunate tenant. If a person hires a building, and it subsequently becomes dilapidated, and out of repair, so as to prevent him from its beneficial use and enjoyment, he must, notwithstanding he has received little if any benefit from its possession, pay the full rent; and where the landlord, in the lease, covenants to repair the demised premises, and put them in perfect order, and the tenant, upon the faith of such agreement, enters into possession, he cannot resist payment of the rent when it becomes due, on the ground that the landlord has not performed his covenant; and although by this want of good faith on the part of the landlord, the tenant may have been deprived of almost every benefit which the enjoyment of the premises would otherwise have conferred upon him, yet the landlord may distrain for the entire rent due, and the goods of the tenant can be taken, and his property sacrificed, for purposes of arbitrary injustice and palpable wrong. If the law will permit the landlord to resort to a distress for the collection of his rent, it should at least place some checks upon his using this extraordinary power to the gross injury of his tenant; and when the landlord, by neglecting to perform an agreement on his part, deprives the tenant of the beneficial use of premises which he ought to be permitted to enjoy, the principles of stern justice imperatively demand that the right of distress should be taken from him, and his facilities for the recovery of the amount to which he is entitled, placed upon the same foundation with those enjoyed by any other creditor. But no provision of this kind exists, and the landlord may collect his rent by this summary mode, although the damage sustained by the tenant, on account of the landlord's neglect to repair, should be more than commensurate with the amount due. In this case, the tenant can only sue the landlord upon his covenant by the ordinary slow course of law; no extraordinary privileges are conferred upon him, and no peculiar facilities are afforded him,

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but he is left unprotected, while his goods are seized and sold to glut the rapacity of a landlord, under circumstances which outrage every principle of common justice. We recollect a case which occurred in this city not long since, under circumstances similar to those we have mentioned. A poor tenant had hired a small store, for the purpose of carrying on his ordinary business, and as it was much out of repair, the landlord entered into an agreement to put it in good order, and for this purpose to bestow upon it every necessary expense. The tenant relying upon this agreement, proceeding as it did from a man of immense wealth, and believing that the landlord would honorably perform every stipulation on his part, removed his goods into the store before the necessary repairs were expended. He subsequently made repeated application to the landlord, for the purpose of inducing him to comply with the terms of his agreement, but without success; and as the building was in a state of too much dilapidation to be used for the purpose which the tenant originally intended, he was of course deprived of every pecuniary advantage, which under other circumstances his business would have afforded him. When the rent for the first quarter became due, the landlord demanded it, and was informed by the tenant that as he had not performed his agreement in repairing the premises, and as no benefit had been derived from their occupation, the rent ought not to be paid. The landlord coolly replied, that if he had violated his covenant, the law was open, and the remedy of the tenant plain; but that unless every farthing of rent was voluntarily paid, a distress would immediately effect its collection. The tenant, upon ascertaining by legal advice that the rent could in this manner be extorted from him, and that the landlord's conduct could not be set up as a defence against its recovery, was compelled to pay the full amount claimed. And being fearful that if he attempted to obtain redress, by prosecuting the landlord upon his agreement, the ends of justice would be substantially defeated by the superior wealth and influence which his adversary could command, he abandoned the thought of securing his just and equitable rights, and paid to his grasping landlord the full rent of the premises for the entire year, of enjoying which he had been thus unjustly deprived.

This is but one of the numerous instances in which the laws, by affording peculiar remedies to the landlord, and in clothing him with extraordinary facilities for the purpose of obtaining his rent, enables him at once to secure every right he may choose to claim, and in this manner to outrage the principles of common justice, and trample upon the equitable rights of his unfortunate tenant. If there are subsisting unliquidated accounts existing between the landlord and tenant, upon a settlement of which, the former would be found justly indebted to the latter, the right of distress still exists, and the goods of the tenant may be distrained and sold, without affording him the least opportunity to offset his claims in satisfaction of the demand for which they are seized. It is impossible to examine the laws we are considering, without at once perceiving that their sole tendency and effect, is the security and advantage of the landlord. The rights, the interests, and the welfare of the tenant, are forgotten; and in this branch of our jurisprudence, more than any other, do we discover gross and palpable defects, and the most glaring injustice.

There is yet another extraordinary feature in the laws of this state, guarantying to the landlord an exclusive and important right, which is more remarkable for its abuse of justice than any we have mentioned. It is the

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priority he enjoys over any other creditor of his tenant's, in securing his full rent for the preceding year; and he is entitled to this amount, if in obtaining it the last article of property belonging to his tenant is sold, and other creditors deprived of the least participation in the proceeds. If the claim of the landlord is fraught with the most gross injustice, and the right of the creditor is founded upon the purest principles of equity, the prerogative of the former prevails, and he grasps in security his entire demand, while the unfortunate creditor is left without a farthing. It is almost impossible to conceive the vast amount of oppression and foul wrong which flows from this inequitable provision of our laws. If a debtor is sued by his creditor, and judgment is recovered against him, and the officer who levies the execution is enabled to reach property which the debtor had concealed, or removed, and placed beyond the landlord's power, the latter, by making a simple affidavit that rent is due him, is entitled to receive from the officer a sum sufficient to satisfy his entire claim, although it should be for the whole of the preceding year; and the creditor, after having expended large sums in obtaining his judgment, and in his subsequent proceedings to gain possession of the debtor's property, is suddenly deprived, by this intervention of the landlord, of every benefit which he would otherwise derive; and the former deliberately grasps what he never could have acquired by a warrant of distress, and in pocketing his legalized plunder, commits an act in violation of the plainest rules of morality and justice. How often do we see the merchant, after trusting his debtor for large quantities of goods, relying upon their ultimate advantageous sale for his reimbursement, disappointed in his reasonable anticipations of payment, by this exercise of a landlord's tyrannical prerogative. He has perhaps received nothing whatever from his debtor, and the very property with which he has trusted him goes in satisfying the last farthing of a landlord's claim; no remedy is allowed him, and even the poor right of enjoying a portion of that which is morally and equitably his own is denied. The demand of another is suffered to prevail over the strong considerations of justice which support his claim, and he is stripped of the property which his care, and toil, and persevering industry, have acquired, that it may go to enrich the favored landholder. How much of wrong and oppression are embodied in this branch of our jurisprudence, and what acts of harsh injustice does it tolerate and legalize; and yet it is permitted to remain a dark blot upon our statute books, and no efforts are made to annihilate this last solitary curse, which had its birth in the dark ages of feudal power. The laws of most states in the union, are much milder upon the subject than our own, and many of the more odious provisions existing in favor of the landlord, have been swept away; and in Connecticut, the right of distress has been taken from him. But in this state, where an immense portion of the wealth of our citizens consists in personal property, and where a large part of our community is composed of merchants, whose wealth, intelligence, and influence, deservedly entitle them to an equal proportion of the beneficial rights and privileges which result from liberal and enlightened legislation, we discover no ameliorating change in this department of our jurisprudence. Not only is the common law, as it formerly existed, still continued in force, and its stern, technical rules perpetuated, but every successive act of our legislature has tended still farther to increase the unjust powers and privileges of the landlord, and to deprive the tenant of some of the few equitable and natural rights which he formerly enjoyed. A few years since, and the only distinctive remedy

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which marked the landlord's superior power in collecting his rent, over that possessed by any other creditor, was the instrument of distress, and it was left to modern legislation to introduce the oppressive priority he now enjoys. New rights have been conferred upon him, which he formerly could not claim; and the arbitrary manner in which they are used, shows with irresistible force how unwise, impolitic, and unjust, was their introduction. Every citizen who is desirous of securing the general welfare of society, by the introduction of a wise, salutary, and just system of laws, cannot fail to be impressed with the important necessity which exists for at once destroying the odious distinction prevailing throughout our jurisprudence in favor of the landholder, whose rights, remedies, and liabilities, should be governed by the same rules of universal justice which control those of every other member of community.

INSURANCE.

Art. V.—RATES OF PREMIUM FOR MARINE INSURANCE.

Hitherto the computation of premiums of insurance on marine risks has been made on no systematic or regular principles, but on the loose, general, and indefinite impressions of those who make the contracts—impressions often founded on a very limited experience, as a merchant, a shipmaster, or as an insurer.

Contracts for insurance on lives are made from tables formed on the results of experience—from bills of mortality for long periods of time. From these documents, it is ascertained that a certain proportion or rate per cent. of a community in a certain location, have died in a year. That this proportion is subject to certain degrees of variation at the different periods of life. That it is also liable to be affected by the various occupations and course of life of individuals. And as it has been found, that the results of one period have been like the results of another period, in times past, it is inferred that they will continue to be so in future time.

In like manner, the business of marine insurance is susceptible of analysis and systematic arrangement. But it is to be regretted, that no records of facts have been kept to furnish a basis for the construction of tables; unfortunately, there are no bills of mortality for ships, and there exists no data from which the value of a risk for a given voyage can be computed. Premiums are, of necessity, fixed as the experience or inexperience of the contracting parties may dictate, without any standard by which to test their accuracy. Hence we find them fluctuating and various, for the same voyages, differing one half, and often more, without any good reason. Some voyages are charged at too high rates, and others at too low rates; but which class of risks it is, that is charged too high, and which too low, is unknown, and opinions on the subject would be very different. If, on the whole, the insurer get sufficient to cover his losses, and leave him a fair remuneration for his risk and trouble, he does not concern himself, to know on which class he gained, nor on which he lost his money; and the insured rests satisfied in like ignorance.

When a government imposes a tax on a community, the attention of its

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members is immediately directed to the matter, to know if it bears equally, and on all in due proportion.

The premium of insurance is no less a tax on the consumers than an impost duty; and the community is equally interested to see that it bears equally and alike on the several branches of commerce.

If arrangements could be made by insurers to class their risks, and keep each class separate, so as to obtain the results of experience for a long period of years, much would be done towards the attainment of the object in view; and although there would still, and must always remain, much for the judgment to decide, there would be fewer chances of error than there are now. The field of knowledge would be enlarged—the field of conjecture would be diminished. The consequence would be, that the investments of capital in insurance stocks would be safer, the profits more uniform, and the gradations of premium more just and equal.

In no business of the same magnitude, have those who conduct it so little of the benefits and advantages of experience to aid them. No record of the experience of their predecessors is to be found, or if they exist, they exist only in a crude, undigested, unavailable form. The transactions of all past time are to them almost as if they had never been; a loose, indefinite history or tradition is all that remains of them.

Impressed with these views, and with the importance of the subject, the insurance companies of Boston have established an office under the charge of Charles Pierson, Esq., a gentleman every way qualified for the purpose, to collect such facts as shall tend to the attainment of the data requisite for the formation of tables of premiums on more certain and satisfactory principles than the mercantile community now have; and it is proposed to publish, from time to time, such of the results of his labors as may be deemed useful to the merchant and insurer, in the formation of tariffs of premium for risks against the perils of the seas and fire. Those of capture must of necessity be decided by the judgment of the parties.

It must be kept in view, that the results of a short period, or a small amount of business, would not furnish data on which it would be safe to act, or to form opinions. The experience of a course of years, and a large number and amount of transactions, are necessary to form a basis on which it would be safe to make contracts. The office has been established but a few months, but in order to give some idea of the course of procedure, and in the hope that others who have the means may be induced to co-operate in the labor, which is very great, of obtaining the facts necessary to be known, the following statements are now given to the public. It will be perceived that they include insurance on vessels only; that they are divided into three classes—ships, brigs, and schooners; that they include only vessels insured on time; no vessels insured for specific voyages being included. The result shows that on fourteen millions and upwards of risks, the insurers lost upwards of *one hundred and forty-four thousand dollars* over and above the amount of premiums received.

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Amount of Writings and Losses, on Vessels on Time, in the years 1830 *and* 1831, *done at fifteen Offices.*

VESSELS.	*Amount of Writings.*	*Amount of Premiums.*	*Av. Rate per ct. of Prem.*	*Return Premium.*	*Av. Rate per ct. R. Prem.*	*Additional Premiums.*	*Av. Rate p. ct. Ad. Prem.*
Ships on time....	4,237,264	218,651 63	5. $\frac{161}{1000}$	9,910 25	$\frac{234}{1000}$	2,772 89	$\frac{065}{1000}$
Brigs.....	3,454,300	203,194 91	5. $\frac{882}{1000}$	6,255 55	$\frac{181}{1000}$	3,377 91	$\frac{097}{1000}$
Schooners.	800,733	59,585 72	7. $\frac{441}{1000}$	1,499 40	$\frac{187}{1000}$	366 79	$\frac{045}{1000}$
	8,492,337	481,432 26	5. $\frac{669}{1000}$	17,665 20	$\frac{208}{1000}$	6,517 59	$\frac{076}{1000}$

Amount of Writings and Losses—(continued.)

LOSSES.						*Per Cent of Losses, Gen. Average, Partial, and Total.*
General Average.	*Gen. Av. Loss, per cent.*	*Partial.*	*Partial Loss, per cent.*	*Total.*	*Total Loss, per cent.*	
14,600 46	$\frac{345}{1000}$	53,352 5	1. $\frac{259}{1000}$	136,061 66	3. $\frac{211}{1000}$	4. $\frac{815}{1000}$
18,105 44	$\frac{524}{1000}$	89,274 92	2. $\frac{584}{1000}$	133,597 33	3. $\frac{868}{1000}$	6. $\frac{976}{1000}$
4,807 8	$\frac{600}{1000}$	24,763 47	3. $\frac{092}{1000}$	71,229 69	8. $\frac{895}{1000}$	12. $\frac{587}{1000}$
37,512 98	$\frac{442}{1000}$	167,390 44	1. $\frac{971}{1000}$	340,888 68	4. $\frac{014}{1000}$	6. $\frac{427}{1000}$

Amount of Writings and Losses—(continued.)

RECAPITULATION.				*Gain.*	*Loss.*
Ships—Amt. Prem. p. ct.	5,161				
Add. do.	65				
		5,226			
Ret. Prem.	234				
Losses	4,815				
		5,049			
			$\frac{177}{1000}$ per ct. gain.....	7,500 10	
Brigs—Prem. per ct.	5,882				
Add.	97				
		5,979			
Return	181				
Losses	6,976				
		7,157	1. $\frac{178}{1000}$ per ct. loss.....		40,660 42
Schooners—Prem. p. ct.	7,441				
Add.	45				
		7,486			
Return	187				
Losses	12,587				
		12,774	5. $\frac{289}{1000}$ per ct. loss.....		42,347 23
Gain.... 7,500 10				$7,500 10	$83,007 65
Loss....83,007 65					

$75,507 55 excess of Loss over the Premiums.

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Writings and Losses on Vessels on Time, from 1817 *to* 1834, *inclusive, at one Office.*

VESSELS.	*Amount of Writings.*	*Amount of Premiums.*	*Av. Rate per ct. of Prem.*	*Return Premiums.*	*Av. Rate per ct. of Return Prem.*	*Additional Premiums.*	*Av. Rate per ct. of Add'nal Prems.*
Ships on time....	1,700,068	89,990 30	5. $\frac{29}{100}$	6,096 81	0. $\frac{358}{1000}$	1,851 16	$\frac{109}{1000}$
Brigs.....	2,753,724	189,888 41	6. $\frac{89}{100}$	15,639 10	$\frac{567}{1000}$	3,192 68	$\frac{116}{1000}$
Schooners.	1,183,424	87,629 1	7. $\frac{405}{1000}$	8,726 46	$\frac{737}{1000}$	1,004 13	$\frac{084}{1800}$
	5,637,216	367,507 72	6. $\frac{520}{1000}$	30,462 37	$\frac{540}{1000}$	6,047 97	$\frac{107}{1000}$

Amount of Writings and Losses—(continued.)

Losses, per cent.	*Amount of Loss.*	*Excess of Loss over the Premiums.*
7. $\frac{20}{100}$	122,421 87	$36,677 22
6. $\frac{82}{100}$	187,950 4	10,508 5
8. $\frac{57}{100}$	101,391 58	21,484 90
7. $\frac{304}{1000}$	411,763 49	$68,670 17 loss.

Amount of Writings and Losses—(continued.)

Recapitulation—Ships, Brigs, and Schooners, from 1817 *to* 1834.

Amount of Premiums per cent.....	6,520		
Additional	107		
		6,627	
Return Premiums.....	540		
Losses	7,304		
		7,844	
Excess of Loss over the Premiums.....		1. $\frac{217}{1000}$	68,670 17

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Recapitulation of the above.

VESSELS.	*Writings.*	*Premiums.*	*Av. Rate per ct. of Prem.*	*Return Premiums.*	*Rate per cent Ret. Prem.*
Ships, Brigs, and Schooners, years 1831, 1832, in fifteen Offices.....	8,492,337	481,432 26	5. $\frac{669}{1000}$	17,665 20	$\frac{208}{1000}$
Ships, Brigs, and Schooners, years 1817 to 1834, in one Office..	5,637,216	367,507 72	6. $\frac{520}{1000}$	30,462 37	$\frac{540}{1000}$
	14,129,553	848,939 98	6. $\frac{008}{1000}$	48,127 57	$\frac{340}{1000}$

Recapitulation—(continued.)

Additional Premiums.	*Rate p.ct. of Add. Prem.*	*Losses, per cent.*	*Amount of Loss.*	*Excess of Loss over the Premiums.*
6,517 59	$\frac{076}{1000}$	6. $\frac{427}{1000}$	545,792 10	$75,507 55
6,047 97	$\frac{107}{1000}$	7. $\frac{304}{1000}$	411,763 49	68,670 17
12,565 56	$\frac{083}{1000}$	6. $\frac{777}{1000}$	957,555 59	$144,177 72

Recapitulation of the Written Accounts.

Premiums, per cent.....	6,008	
Additional	89	
		6,097
Return Premiums, ...	340	
Losses	6,777	
		7,117

Excess of Loss over the Premiums..... 1. $\frac{020}{1000}$ = 144,177 72

No expenses of the offices are included in this estimate.

DO NOT, LIKE A FOOLISH MARINER, ALWAYS CALCULATE ON FAIR WEATHER.—Commerce, as well as life, has its auspicious ebbs and flows, that baffle human sagacity, and defeat the most rational arrangement of systems, and all the calculations of ordinary prudence. Be prepared, therefore, at all times, for commercial revulsions and financial difficulties, by which thousands have been reduced to beggary, who before had rioted in opulence, and thought they might bid defiance to misfortune.—*Foster.*

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Art. VI.—HINTS TO THE INSURED ON THE CONSTRUCTION OF MARINE POLICIES.

Insurance is so intimately connected with commerce, and springs so naturally from maritime adventure, that it forms a subject of the deepest interest to the merchant, and is well worthy the profound study of the statesmen of every nation, in which commercial interests are known and fostered. The utility and importance of this species of contract in a commercial country is self-evident, and is so considered by the most distinguished writers upon commercial affairs. The millions of treasure which are now cast upon the ocean, and sent to the remotest quarters of the earth, exposed to the risks of the winds, the waves, and the frail structure in which they are transported, would be unknown and unappreciated, but for the protecting influence of this maritime contract, which gives great security to the fortunes of private people, and by dividing among many that loss which would ruin an individual, makes it fall easy upon the whole society. This security tends greatly to the advancement of trade and navigation, for as the risk of transporting goods and merchandise is diminished, men will be more easily induced to engage in extensive foreign trade, to undertake hazardous adventure, and to join in important undertakings; since their failure cannot involve them, and their families, in those ruinous consequences which would be the result in a country where insurances are unknown. It is improbable to suppose that the citizens of any nation, would embark their fortunes in enterprises fraught with so much risk as is incurred in mercantile adventure, without the aid of this indemnifying contract; and foreign commerce must necessarily be confined in its operations, and narrow in its influences, without some remedy is afforded by which the enterprising merchant can feel secure in ultimately obtaining at least a portion of those riches with which his ship is freighted.

From the great importance of insurance in creating a spirit for foreign adventure and mercantile enterprise, it is natural to suppose, that it was early ingrafted into the system of maritime laws and regulations, which prevailed in ancient periods of the world; but in looking back upon the history of the ancient maritime states which have existed, we find that insurance was unknown, and that it is comparatively of modern invention. The origin of the contract is somewhat uncertain, and the honor of its introduction has been claimed and insisted upon by rival nations, each eager to acquire the distinction which the creation of so important an agent, for the advancement of commercial enterprise and prosperity, would confer upon the founder; and the time when this contract was invented is equally involved in doubt and obscurity. But it is evident that wherever foreign commerce was introduced, insurance must soon have followed as a necessary and indispensable attendant, it being impossible to carry on any extensive trade without this protection, especially in time of war. Some writers have ascribed the origin of the contract of insurance to Claudius Cæsar, the fifth Roman emperor; but if it originated at that time, it was but imperfectly known and appreciated, and bore but a faint resemblance to the form it has now assumed; and from the fact that we find it extremely difficult to determine whether such a contract then really existed, it must have been quite ineffectual and seldom used. Other authorities have given the Rhodians

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the credit of its invention, thus establishing a foundation for the idea entertained by many, that the law of insurance had been incorporated into most of the ancient codes of maritime jurisprudence. But it is extremely doubtful whether this people entertained even the slightest idea of the contract of insurance, as it exists at the present day. This country stood first among the nations of antiquity, not only for the richness of its extended commerce and the strength of its naval power, but it was here that the first legislators of the sea flourished; and it was by this people that the most ancient system of marine jurisprudence was promulgated, to which even the Romans themselves paid the greatest deference and respect, and which they adopted as the guide of their conduct in naval affairs; and these laws not only formed the rule of naval action to the ancient maritime states, but in reality have been the basis of many important regulations now in force respecting navigation and commerce; but notwithstanding the wisdom evinced in the creation and compilation of these laws, and the universality with which they prevailed, nothing can be discovered from the fragments which have reached us, to warrant the belief that these islanders were acquainted with insurance as a mode of securing their property. It is true that the laws of the Rhodians have descended to the present age in a very imperfect state, and there may have been many provisions incorporated into their system of jurisprudence, of which we are in ignorance; yet it is more than probable that so important a feature in their marine regulations, would have been transmitted to us, if any such had existed.

The states of ancient Greece, particularly Corinth and Athens, paid great attention to the promotion of commercial knowledge, and to the creation of a code of maritime laws calculated to encourage foreign adventure, and to inspire their people with a spirit of mercantile enterprise; and the many valuable and liberal laws which they originated relative to imports and exports, and the contract of bargain and sale, the many privileges granted to the mercantile portion of their citizens, and the appointment of judicial officers to settle and adjust marine controversies, impress us with a very favorable idea of their knowledge of the true principles of commerce; but not the slightest information can be found in their history, which would lead us to suppose that they were acquainted with insurance.

A glance at the commercial and maritime history of the Romans, is sufficient to make it appear that they were equally ignorant of the contract of insurance, as the nations of ancient Greece or the Rhodians; and from the continued warfare in which they were engaged, it cannot be supposed that they would pay as much attention to the perfection of a maritime code of jurisprudence, as many of the countries existing around them.

From the best authorities that can be found, it is supposed that the contract of insurance was first invented by the Lombards in the thirteenth century; and as the Italians were at that time engaged in an extensive trade with foreign countries, and carried on a rich traffic with India, it is but reasonable to suppose that in order to support so extended a commerce, they would introduce insurances into the system of their mercantile affairs. It is true, that there is no positive and conclusive evidence, which would create a foundation for the assertion, that they were the inventors of this kind of contract; but it is certain that the knowledge of it came with them into the different maritime states of Europe, in which parties of them settled; and when we reflect that they were the merchants, bankers, and carriers of Europe, it is not unreasonable to presume that they also led the way to the

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establishment of a contract, which is so essential and important for the creation and continuance of commercial prosperity. It is certain that the Lombards were the first who introduced this contract into England; and a clause is inserted in all policies of insurance made in that country, that the policy shall be of as much force and effect, as any before made in Lombard street, the place where these Italians are known to have first taken up their residence.

After the introduction of this contract into England, a peculiar court was erected for the purpose of determining all questions and controversies arising out of policies of insurance; but it was soon abolished, and the adjudication of this species of contract placed upon the same ground as any other written instrument. The contract of insurance has, until recently, been but little understood, and very few early cases can be found in which rules have been settled, calculated to elucidate the principles bearing upon the construction and effect which must be given to the policy; but more recently, numerous and valuable decisions have been made, in which the law of insurance has been ably considered and clearly laid down; and although some portions of this branch of maritime law are still involved in doubt and uncertainty, yet the leading and general principles which control this species of contract, are now rendered sufficiently certain to enable the insured to determine what he is bound to do, for the purpose of securing the protection and safety which a policy of insurance is intended to confer.

It is of great importance to the merchant, that he should make himself acquainted with the substantial parts necessary to be embraced in a contract of this nature; and for the purpose of rendering this subject clear and intelligible, the form, construction, and effect, of a marine policy of insurance, will be considered.

Insurance is defined to be a contract, by which the insurer undertakes, in consideration of a premium, to indemnify the person insured against certain perils or losses, or against some particular event. The policy is the instrument by which the contract of indemnity is effected, between the insurer and the insured, and it may be valued or open, the only difference being, that in the former the property insured is valued at prime cost at the time of executing the policy, and in the latter the value is not mentioned, but in case of loss, must be proved by the party claiming under the policy. The essential part of a policy of insurance does *not* differ from a bond of indemnity, or guaranty of a debt, since the obligor, or guarantor, takes upon himself certain risks, to which the obligee, or creditor, would otherwise be exposed; and although the liability of the insurer depends upon more numerous and multiplied contingencies, than that resting upon the obligor and guarantor, yet until something is done on the part of the insured, to vary the nature of his rights, and alter or effect the responsibility of the insurer, the rules of law which govern in the construction of ordinary sealed instruments, in cases of obligors and guarantors, prevail with equal force in controlling a policy of insurance.

A policy, when executed, is considered a sacred agreement, and of the first credit; and when the signature of the underwriter is affixed, no alteration can be made by either party without avoiding the contract; for as its ultimate effect and bearing should be accurately known and perfectly appreciated by both parties, permitting even the slightest alteration by either would be opening a wide door to fraud, in a transaction which, from its nature and the importance of the interests involved, should be free from the

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least degree of doubt or embarrassment. The only mode by which an alteration can be made in an instrument of this kind, where either party refuses his assent, is by an application to the court of chancery, where it must appear by undoubted evidence, that the party applying was mistaken in the terms and effect of the policy, and that the correction of such mistake cannot prejudice the rights of the insurer. From this, it is obvious that it is of the first importance to the insured, that he should thoroughly understand the nature and construction of an instrument which may involve interests to a large amount, and which, unless fraud is proved to have been committed on the part of the insurer, cannot be altered or varied in its ultimate construction, as the intention of the parties is to be determined by the instrument itself.

The leading and substantial parts of a marine insurance are, that the underwriters cause the assured to be insured, in a certain sum, on ship, cargo, freight, or profits, for a particular voyage or space of time, against enumerated risks; and in connexion with these, are introduced all the stipulations, provisions, conditions, and warranties. There are various implied conditions in every policy, which are of the highest importance to be observed by the person obtaining it, and unless these conditions are strictly complied with, the contract will be avoided. The assured is bound at the time of procuring the policy, fully to disclose to the insurer every fact which may materially alter or affect the nature of the risk incurred, and which is presumed to rest exclusively within the knowledge of the insured, unless it is embraced in some agreement in the instrument, or to which the instrument refers; and when an insurance is effected upon a vessel, the insured by the act of procuring the policy, impliedly warrants the ship to be sea-worthy, and in every respect fit for the voyage upon which she is destined to proceed; and this agreement is uniformly a part of the contract, although it is never expressed in the policy; and there is a warranty contained by implication in every policy, that the vessel shall pursue her voyage by the customary route, and in the usual manner; and these implied agreements flow from the principle, that men in their dealings with each other are bound to look only to the ordinary mode in which transactions of the nature they are contemplating are conducted, and the rules of morality and justice will not permit either to take advantage of what the other could not necessarily have foreseen and guarded against.

If the insurer wishes to protect himself by any agreement not implied by the policy, he must be careful to have it clearly and explicitly expressed in the instrument; and any communications which may have passed between the parties previous to executing the policy, cannot have any weight in controlling its effect, as the policy itself is to be considered the agreement between the parties; and whatever conversation or letters may have passed from one to the other, can form no part of it, unless expressly referred to by the instrument. The construction of the policy may be varied by the usage of trade, but this usage must be universal, and clearly made out; without which, it cannot be presumed that the parties had it in contemplation when the policy was executed; and like other written instruments, the intention of the parties must always be sought after, in construing its meaning and determining its effect.

There are few restraints imposed to prevent any person from effecting a valid insurance upon any thing in which he may possess an insurable interest; and the only case in which the policy is void, on account of the charac-

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ter of the insured, is that of a foreigner residing in a country at war with his own, and insuring his property by citizens of the country in which he temporarily resides; and even this disability may be removed by obtaining a license to trade in such country—the law implying, that whenever a person has permission to own and enjoy property, that he shall be entitled to the ordinary means for the continuation of such enjoyment; and should a citizen of the United States, residing in Great Britain, at the commencement of a war between the two countries, remove to France for the purpose of carrying on mercantile business in England, he would so far be considered a neutral, by British laws, as to enable him to effect insurance in England upon his property, and to recover upon the policy in the English courts.

It is materially essential to every contract of insurance, that the insured should have an interest at risk; and if he has no interest, or if the interest which he possesses is subject to no risk, he can be liable to no loss; and it necessarily follows, that there is nothing against which the insurer can indemnify him.

Merchants often insure goods in reference to a future interest which they expect to acquire; but unless the title to the property passes before the loss, the insured cannot recover upon the policy; as in the case of goods forwarded from Boston to New York, with directions to the consignee not to deliver them to the buyer until he pays for them; the buyer has not an insurable interest until he complies with these directions; and the interest must not only commence previous to the loss, but it must continue and subsist at the time the loss actually occurs; otherwise, the risk which the assured is insured against no longer exists, and the essential requisite, constituting his right to recover upon the policy, is gone.

If the vessel or goods insured are forfeited, the insurable interest is taken away; and a person who insures a ship or merchandise, which, on account of any act committed, are condemned under the laws of the United States, his right to the property insured is taken from him, and his remedy upon the policy is gone.

If the interest of the insured is illegal, although it may in other respects be sufficient, the policy will be void: for courts of justice will not enforce the terms of an instrument intended to protect a person in the possession and enjoyment of property which he holds in violation of those laws which it is their duty to administer; and if a policy is intended to protect property to be used for purposes which are illegal, and contrary to sound policy and the rules of wholesome trade, the contract will be void and ineffectual.

When part of a cargo insured is designed for objects which are legal, the illegality of the remainder will not avoid the whole policy, but it will remain good for so much as the insured had a legal insurable interest; but in such case, the goods not contraband and illegal must be owned by a different person; otherwise, the contagion of illegality affects the innocent articles.

The subjects of nations engaged in war with each other, cannot protect their property destined to the enemy's port, by insuring it at home, whether such property consists in ships or merchandise: for war suspends commercial intercourse, overthrows the fabric of maritime rights, and destroys those reciprocal beneficial privileges which exist in time of peace; and the subjects of either country, endeavoring to employ their property in contravention of belligerent law, entirely divest themselves of all their insurable interest.

If the laws of this country interdict trade with a foreign port, a policy upon goods intended for such port would be void: for the insurer, in such

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case, has a deep interest in effecting the safe transit of the goods insured to the interdicted port—which the law destroys by avoiding the policy, on the ground that it guaranties to the insured the protection and enjoyment of property to be used contrary to the rules of good faith, and in violation of the sound dictates of public policy, and creates in the mind of the insurer a strong desire to assist in evading the laws of his own countrry, for the purpose of securing the property insured from capture, and thus protecting himself against the loss which must otherwise accrue from his liability upon the policy. And it may be laid down as a general rule, that no contract is of any binding validity, which is obviously inconsistent with the principles of sound policy and national justice, or directly and plainly opposed to the interests and welfare of society; and whenever property intended for the benefit of an enemy, is insured, the law declares the policy absolutely void. But if an insurance is effected upon property previous to its assuming a hostile character, the contract is binding and valid; and if the goods are injured, or lost, the insurer will be liable.

A policy of insurance upon property intended to be used in violation of the laws of a foreign state, is binding, and cannot be impeached on that ground, unless such laws are in accordance with the laws of nations, which are of equal force in all countries, and upon all governments.

The wages of seamen do not form the subject of a legal insurable interest, on the ground that the motive to exertion for the safety of the ship and cargo would be materially diminished, if mariners could, by the payment of a small premium, secure themselves in ultimately obtaining, at all events, a compensation for their services; but they may insure goods purchased with their wages; and the captain of a ship may insure his wages, commissions, and privileges, as he is considered a person of more trust than the sailors.

Having examined some of the most important requisites which are necessary to vest in the owner of property an insurable interest, when considered with reference to the character in which it is held, and the purposes for which it is employed, the consideration which next presents itself, is an examination into the nature of the various interests which form the subject of insurance.

If the owner of a ship mortgages it for its full value, he still retains an insurable interest in the vessel; and although the assignment of a bill of lading passes to the consignee the entire and absolute property in the goods, yet if it is the intention of the consignor, by such assignment, merely to designate the person who is to receive the goods, and not to convey away his property in them, the consignor is considered as the creditor of the consignee to the amount of the proceeds, and retains an insurable interest in the goods. The interest of a mortgagee or trustee of property may be insured; and a person to whom the freight of a vessel has been mortgaged, may insure the legal interest on his own account, and the equitable interest on account of the mortgagor; and, as the trustee of property has the legal interest, he may represent it to be his own, and effect an insurance upon it in his own name. Where one merchant is indebted to another, and forwards goods to a mercantile house to be held for the benefit of his creditor, such creditor has an insurable interest in the goods so forwarded: but if the goods consigned were directed to be sold by the consignee, and the proceeds paid over to the creditor of the consignor, an insurable interest in the goods would not vest in the creditor, as he acquired no title to them previous to the sale, after which,

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the money for which they sold would be held for his use; but if merchandise is bought with such proceeds, the interest of the creditor would then be insurable.

A bottomry bond, by which the vessel is hypothecated, and a respondentia bond, by which the cargo is pledged, to a certain amount advanced upon either, by virtue of which the lender would acquire the right of possessing the property so hypothecated or pledged, for the purpose of enabling him to obtain satisfaction of his debt, are in many material respects similar to a mortgage, and vest an insurable interest in the lender; and there are more strong and powerful reasons in favor of allowing the lender upon bottomry or respondentia to insure his interest, than exist in the case of a mortgage, for mortgaged property is at the risk of the mortgagor, and the latter is always liable, even if the property mortgaged is destroyed; but the lender upon bottomry or respondentia has a lien only upon the vessel or goods; and if they are lost, his claim is extinguished forever. The borrower upon bottomry or respondentia retains an insurable interest in the ship or goods, to an amount equal in extent to their respective value, beyond the sum for which they are pledged; but he can insure only to this amount; and where a vessel is hypothecated for more than its full value, the borrower has no insurable interest; but if there is in such case an agreement that the lender shall insure only a part of the risks to which the property is liable, the borrower could still insure to its full value in reference to the risks not insured by the lender. A consignee, factor, or agent, has a lien upon goods to the amount of his advances, acceptances, and liabilities; and as he has an interest in the property commensurate with the amount of his lien, it follows that he may insure to the full value of such interest, whether the goods are already in his hands or not.

A supercargo, who is entitled to a commission upon the cargo, has an insurable interest to the amount of such commission; and it is a well established rule, that any person having an interest in any lawful contract, from the completion of which he may derive profit and advantage, has an insurable interest in the subject of such contract, as soon as he has taken any steps towards its performance. The owner of goods may insure the profits he expects to derive from the completion of the voyage, and he will be entitled, under the policy, to the full amount of the profits which he can prove the adventure would ultimately have afforded him.

The charterer of a ship, so far as he is liable to be injured by its loss, has an insurable interest; and where a ship is chartered with an agreement on the part of the charterer to pay a sum equal to her value, if lost, he may insure to the full amount for which he is liable; and an agreement, on his part, to insure the ship, vests in him the same insurable interest, as if he had bound himself to pay her value, if lost; and the owner of the vessel may also insure, as he is not bound to trust entirely to the responsibility of the charterer.

The owner of a ship, navigated on his own account, has an insurable interest in the freight; and it is a general rule, that this interest commences not only by the sailing of the vessel upon her voyage, with the cargo on board, but also when the owner has a part of the goods loaded, and the remainder in readiness for shipment. And when the owner of a vessel contracts with another for freight, and incurs expenses in anticipation of the voyage, and takes measures towards carrying the freight, and the ship is in readiness for sea, an insurable interest in the freight for the contemplated voyage becomes

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vested; and if the ship is lost previous to its commencement, the freight insured may be recovered under the policy.

Whenever freight, covered by insurance, is valued in the policy at a certain sum, and goods sufficient to make but a small portion of the amount named are put on board the vessel, and the remainder of the goods are in readiness for shipment—if the vessel is lost previous to the commencement of the intended voyage, the whole freight valued in the policy may be recovered; and the interest of the owner in passage money, in case of a loss of the ship subsequent to the time when she was in readiness to receive her passengers, would be governed by the same rule. Where an insurance is effected upon the freight of a vessel which is chartered for an entire sum, to proceed from the port of New York to stop at several foreign ports, and return, and the vessel is lost at the commencement of the voyage, the owner would be entitled to the full amount of freight insured for the whole voyage; as the charter party gives an entirety to the contract, and the risk attaches on the whole freight, as soon as the voyage is begun; and it will make no difference whether the agreement to supply the cargo or pay freight is in writing or only verbal, as the liability of the insurer is the same. The charterer of a vessel during a certain period, has an insurable interest in the freight, since he is the only one interested in the vessel's earnings during that time: and the owner and charterer, have each of them an insurable interest in respect to the risks to which they are severally liable; and if the charterer makes an absolute unconditional agreement to pay freight, he is possessed of an insurable interest, in reference to all risks.

The rules necessary to be observed in describing the insured in the policy, are important to be understood; and this description should be sufficiently broad and comprehensive, to include all who can prove their interest in the property insured, and show that the policy was intended for their protection and benefit. The usual form of description is to mention the name of the person obtaining the policy, and state that the property is insured for himself, and all whom it may concern; and unless this general clause is inserted, no one besides the person whose name is expressed in the instrument, and his general partner, can avail themselves of the benefit of its provisions; and it must be expressly made to appear, that the policy was effected on behalf of the person claiming under it, for otherwise, although he has an interest corresponding with that described in the policy, it will not be covered. When the policy contains the general description before mentioned, it will enure to the benefit of all who effected it, and will protect the interest of those for whom it is intended, and who adopt it when made; and the adoption of the instrument by the party for whom it is intended, at any time before loss, and in many cases after, is sufficient, and is equivalent to an original order for insurance.

In the description of the subject matter which the policy is intended to cover, it is necessary that the thing insured, and in some instances the peculiar interest intended to be protected, should be expressed by words sufficiently clear and comprehensive, in the instrument itself; or that it should contain something which will point out the mode of ascertaining with certainty to what the contract is to be applied; and although the rules of justice will not permit any technical inaccuracy or innocent mistake to vitiate the policy and destroy its effect, still it is important that the instrument should express the intention of the parties with reasonable certainty. If the description designates the subject with tolerable certainty, and if from

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the terms of the policy it could not have been the intention of the parties to refer it to any thing else, a mistake in the name of the vessel, or other property, will not affect the liability of the insurer. Where the marks upon bales of goods are incorrectly described in the policy, and it is shown to have been the intention of the parties to effect the insurance upon such goods, and their identity is clearly made out, the insured may recover upon the contract. The general description in a policy, *goods, wares, and merchandise*, is very comprehensive, and under it the insured will be entitled to claim compensation for loss of property of almost every nature. Specie and bullion will be included under this description, but not bank bills; and if it was the apparent intention to insure jewels, rings, &c., there is no substantial reason why they should not be covered and protected by this description.

Policies are sometimes effected upon ship, or ships, to be afterwards declared, and other property may be insured in the same manner, and after effecting such an insurance, the insured cannot be compelled to declare his interest, but may refrain from so doing until after a loss has occurred, when he may declare the interest insured to be in the goods so lost; but if a condition is inserted in such policy, that the insured shall declare the property intended to be insured, as soon as he can receive information enabling him to do so, he must not delay communicating such information after it is derived, and his rights under the policy will be determined as soon as this declaration is made to the insurer.

When different shipments of goods are embraced in the description contained in the policy, the insured may apply it to either, if it is not made to appear that it was not the intention of the parties to protect the property claimed to be covered by the instrument; and whenever the policy is so drawn, as to give the insured a discretion in declaring the interest to be protected, his right to make his election cannot be altered, limited, or taken away, by any act of the insurer, for the contract is perfected when the policy is subscribed, and the declaration of interest is a mere exercise of power conferred by the instrument upon the insured.

When an insurance is intended to be effected upon profits and commission, it is the more usual and safe course, to describe them specifically, although this does not appear to be absolutely necessary; and where the intention of the parties is clear, an insurance effected on property in a ship is sufficient to cover the intererst of the master who is to receive a commission on the cargo.

An insurance upon the *ship*, comprehends the body of the ship, her tackle, furniture, and outfits; and the term outfits includes sails, cordage, provisions, armaments, and ammunition. Freight may be insured by the owner of the vessel, even on part of a voyage, without disclosing the remainder, although it was formerly considered otherwise. But a person who is not the owner of the ship, cannot insure the freight, without disclosing the particular interest out of which it arises; and where the owner of a vessel disposes of it, retaining his right to the freight she may make during one voyage, and insures his interest in such freight, he cannot recover upon the policy, unless it contains a particular description of his interest in the vessel, upon the ground that his interest to be protected is not strictly that of freight, which is defined to be the price of transportation paid by the owner of the goods to the owner of the vessel. Where a re-insurance is obtained, the same general rules apply as to the description of the former policy, and the interest insured, which must be defined and ascertained with certainty.

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The contract for insurance must contain a stipulation for the premium, and the rate is always expressed in the policy, but as the underwriter is liable to loss, and entitled to a premium, only so far as the risk extends, it does not necessarily appear from the policy what amount will be effectually and absolutely insured, and accordingly it does not show what amount of premium will be eventually payable on the risk. It is a general rule, however, that the premium on the whole sum named in the policy is the amount considered due; and this will be presumed, unless from the particular circumstances of the case a different rule of construction is made to appear. The usual form of a policy contains a clause, by which the underwriter acknowledges himself to have received the premium, although this is by no means conclusive evidence that it has been paid, but it is inserted to preclude the necessity of proving its payment in case of loss, which would otherwise be rendered necessary to entitle the assured to recover.

When the policy is void without the fault of the assured, or by reason of its illegality, or where the risk does not commence, no premium can be recovered. It is indispensably necessary that a risk should be incurred, before the premium can become due, and it is in the power of the assured by placing none, or only a part of the property covered by the instrument, at risk, to annul the contract either in whole or in part; and this is an indulgence which the law allows to this species of contract, and it is considered an implied condition upon which it is entered into, it being often impossible to know at the time the policy is made, what quantity of goods may be ultimately placed at risk.

The rapid view which is here taken, for the purpose of pointing out the rules necessary to be observed, to give validity to a policy of marine insurance, and to vest in the assured every legal right which an instrument of this kind is intended to confer, is sufficient to impress upon the mind the importance of having the policy carefully and skilfully drawn—and as large sums are often involved in the determination of a single word, every sentence should be clear and comprehensive.

Art. VIII.—THE STATE OF THE CURRENCY.

We resume this subject with feelings and under circumstances very different from those which attended the writing of our former article. The apprehensions we then entertained have been more than realized. Indeed the first number of this magazine had scarcely made its appearance, before the accounts of the state of the money market in England were such as distinctly to warn us that the tide of temporary prosperity caused by borrowing money was turning. And since then the reflux has been going on with such a force and rapidity of current, as even we, who had always expected a good deal, did not anticipate. The rate of exchange has been such as to make a large exportation of specie unavoidable, and this, though not very long continued, has already had the effect which we stated that it would, of putting in jeopardy our whole system of convertible paper currency. The banks doing business through a large portion of the United States, have again suspended the payment of their obligations, and the money of the

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greater part of the country has for the second time within three years become a paper medium relying for support solely upon public opinion.

Of the causes of this second suspension, the views are almost as various as the individuals who hold them. There are many who consider it as a necessary consequence of the attempt to resume specie payments last year, which they maintain to have been premature and injudicious. Others regard it as the effect of measures taken since that resumption, and having no necessary connexion with that event. One class of persons affirm that the relaxation of the protective system, by tempting to excessive and burdensome foreign importations which must be paid for with money, is at the bottom of the whole matter, while another see it in the capricious policy of the secretary of the treasury when distributing the surplus revenue. Then again the thorough-going political partisans make President Jackson or the Bank of the United States the rock of offence, according as their party predilections lead them to admire the one or to detest the other. One peculiarity in this great diversity of sentiment seems to us to be, that, contrary to the ordinary rule, there is some foundation in justice for each variety of it. A cool observer cannot avoid admitting, even upon a hasty glance at the several causes assigned, that they have each and every one of them had *some* operation upon events, although he may not be disposed to admit that they have precisely to the extent which the advocates of each would claim for their respective and favorite theory. It is difficult, in questions of this kind, to hit the taste of the public, which does not relish the degree of generalizing essential to explain the truth. It is the nature of man to seek a sharply-defined idea, in order that it may be fixed in the memory with convenience. But this process, when applied to a series of events brought about by so many different agents, is rarely possible, without some sacrifice of accuracy in judgment. Very seldom is it that any given effect can be affirmed to proceed from any single cause; most especially so when the passions of men, engaged in vehement contention with each other, are let in at one and the same moment, to give new and strange impulses to events, and to distort the medium through which those events are to be viewed and judged.

In the midst of all this, we are however arriving at one general conclusion, which may be of use in directing our future investigations; and that is, that the plan of joint stock banking, as practised at this time in the United States, without the presence of a regulating power of some kind or other to keep it from running into excess, is wholly unsafe, and the currency which it provides is not a sound currency. Thus much, the experience of the past may now surely authorize us to take for granted. But if we assume this, the questions which immediately present themselves, however difficult of solution, are not many in number nor hard to be understood. We must either introduce the power of regulation, which is essential to the system we have, in order to make it work beneficially, or we must revolutionize that system itself. Either some mode must be devised to keep paper money issued by banks convertible into gold or silver, or we must give it up and go back to the hard money. This seems to be the exact nature of the issue now making in this country, upon the decision of which, much in futurity of good or evil must absolutely depend.

We are not disposed at this time to go very largely into the discussion of past events. There is so much in them on all sides to *regret*, that we dislike to approach them more than we are obliged to. It is impossible to over-

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look the fact, however, that so long as a national bank was in existence, there never was any reasonable ground for complaining of the currency, and the moment that it has ceased to exist, complaint has regularly become loud and incessant; a national bank is then a remedy for this evil at least, and being such, it of course must be included among the alternatives from which it may hereafter be deemed proper to select. Of the probability of its adoption, we are not at present called to consider, neither are we conscious that that question has much to do with our purpose, which is to look over the whole field of view and observe what the remedies that can be supposed to be applicable to the present case really are, and which of them it would be the part of wise financiers to adopt.

And first, with respect to the propriety of a new national bank, it cannot be denied that there are reasonable causes for doubt whether it could again be made to act upon a banking system, so widely expanded as ours now is, without presupposing a concentration of capital, which, in the present circumstances of the United States, is hardly practicable, and which, if practicable, is not unattended with danger. The great difficulty of so large an amount of disposable capital seems to be, that it tempts to the undertaking of too much; we think that this has been made clearly manifest by the example of the United States Bank of Pennsylvania, which, since it became a state institution, has unquestionably gone far to forfeit, among sober-minded and reflecting persons, the very high opinion which had been entertained of its management while under the national charter. We know very well that in saying this, we incur some hazard of involving ourselves in the contests of the day. But the first duty of writers upon subjects like these, is to express freely what they believe to be the truth without fear or favor, and it is in obedience to this dictate that we will proceed to give our reasons for the opinion we have advanced.

When the administration of General Jackson had carried the point with the people, of terminating the existence of the national bank, it ought to have been foreseen by those who advocated its continuance, that the currency would fall into disorder without it. We are aware that this was abundantly *foretold* by many leading politicians in opposition, but the conduct of the bank itself, in winding up, gives some color to the belief that it did not really entertain the apprehensions so freely thrown out by its advocates, and that these were, many of them, rather the heated offspring of political invective, than sober and rational conclusions from well-laid premises. Had the bank *really* foreseen and believed in the arrival of the crisis which was about to happen, we do not think it would ever have made the repayment of so great a share of its capital as was placed in the southern and southwestern offices, depend so much as it did upon the continuance in a sound state of the credit system. Nor yet would it have accepted of such terms as were imposed upon it by the state of Pennsylvania, as the consideration for a charter to be granted by her. Both these acts were predicated upon the supposition that a national bank was entirely *unnecessary;* the very position which had been all along maintained by the party friendly to the administration—and that the United States Bank, chartered by a state, would exercise the same control over the credit system, which it had done when chartered by congress. Had this proved true, the whole argument of the friends of a national institution would have been shown to be unsound, and the contest between General Jackson and the bank must have terminated favorably to the former, in the judgment of moderate men. The result has, however, left the

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position assumed by the latter, as yet, impregnable; and the difficulties into which the bank has subsequently involved itself, instead of bearing against it, as by some they may be thought to do, go conclusively to show that no institution chartered by a state is fit to regulate the currency, and that the attempt to do so must result, only as it has resulted, in complete disappointment and disaster to the undertakers and the public.

Indeed it is plain that it could not be otherwise when we reflect how very different a relation the United States Bank immediately assumed to the country, upon its acceptance of a state charter. From being a bank to benefit the commercial interests of all the cities, it immediately contracted its view to those of Philadelphia, and through her, of the state in which she is placed. From confining itself to the negotiation of the best of business paper, and to exchanging value between the ends of the country, it went into the patronage of a whole system of local state internal improvements. From the promotion of the trading interests of the seaports with the interior, in something like a ratio to the amount of transactions naturally occurring in each, it went into a project of securing to Philadelphia a greater portion than belonged to her, and thus of exalting her at the expense of all rival places. The whole action of the machine was changed, and with it the character of the investments made of capital. An artificial value was thus given to various sorts of property, depending upon the successful management of the bank for its continuance, and subject to entail great loss upon it in case of misfortune or untoward accidents. For these would inevitably be the signal for a withdrawal of the extraordinary and fictitious advantages that kept it up, and the loss of these advantages would be attended with a more than corresponding depreciation of the property, the value of which rested upon their duration.

The two acts which we have already mentioned as errors, in the course of the United States Bank, namely, the acceptance of a state charter, and the long credits given in the south, are those most directly in contradiction to the whole tenor of the argument used in favor of its recharter as a national bank, and are moreover in our opinion, the true causes of her present unfortunate position. Had the bank persisted in winding up in the rigid manner which the circumstances of the time would seem to have made necessary, her policy would have had some effect in retarding and perhaps diminishing the extent of the subsequent catastrophe. For her contraction would have partially counteracted the expansion that was going on in other quarters, instead of stimulating it, as the actual policy did, and what she might have realized would have been so much redeemed from the wreck of capital and credit which has been subsequently made in the United States. It is true that much loss might have been incurred from the attempt, and that not quite so favorable a tabular statement could have been made of its returns to the stockholders; but what was this, compared to the actual amount of losses since incurred? Besides, the management of the bank had reserved large amounts expressly to cover these losses, which might have been of more service in the pockets of the proprietors, and certainly would have given them more solid satisfaction, than to see them thrown away either in lavish profusion in exchange for the doubtful blessing of a state charter, or in schemes to secure the recovery of debts which events were showing to be desperate.

For it must be added that the change from a national to a state policy on the part of the bank, would not of itself have brought about such unfortunate

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results so rapidly, if there had not been coupled with it attempts to regain a lost portion of the capital of the old bank upon a scale of too great magnitude for its new position. The carrying forward to market such a crop as that of cotton has now annually become, if undertaken by a corporate institution, must necessarily call for a degree of strength and skill aided by fortunate circumstances which cannot be reasonably expected often to exist together. It is not a natural business for a bank, and has a tendency at once to unsettle prices from their sound and true basis, the proportion between demand and supply. When, therefore, the United States Bank went into the project with resources crippled by other engagements, as well as the failing character of many of its debtors, it entered into a contest against chances by no means in its favor. For the European money market could not be regarded by any means as inexhaustible, or as perfectly patient of all drafts upon it, however large. And the credit even of the bank, well established as it might have been during cautious and prudent management, could not be expected long to stand at the same height, after it had gone into measures which can by no means deserve to be considered either as cautious or prudent. The accident of two successive seasons of scarcity in breadstuffs in England could not, to be sure, have been foreseen by the wisest persons; but neither should they have been considered as improbable, or certain not to happen. Nor yet have they done more than merely to hasten events which must have happened just as certainly, in the end, from other causes. A bank, having once departed from the line of its duty, as a money-lending institution, and become a systematic money-borrower, never yet was able to retrace its path to safety and to credit. The disease is then at the core, and no human remedy has yet been discovered sufficiently powerful to drive it away.

While we regret that the United States Bank should have fallen into a series of errors, detracting so seriously from the reputation which its former management had earned for it, we cannot but regard the result as on the whole fortunate for the country at large; first, because the fact is thereby established of the impossibility that any bank chartered by a state, with a capital however large, can have power to regulate the currency; and secondly, because the existence of such an institution in high credit, must necessarily have been a great obstacle to the organization of a new national bank, if it should ever please a majority of the people again to authorize one. We are not now about to go into the discussion of the question whether such a measure is expedient, or otherwise, at this particular time; and even if we could prove the affirmative ever so clearly, we are aware that the tone of the public mind is not sufficiently decided to give an unqualified assent. There is a seeking for some new variety of treatment which shall restore the body politic, without the necessity of looking back to old ones, and so long as that exists, it is reasonable to expect that theories will be constantly brought forward and gain some weight in the community, until their value has been fairly tested by experiment.

Of these new theories, that which is the first on the list for adoption in practice is the plan of the independent treasury. And it is worthy of remark in this connexion that such have been the passions excited, in whatever of discussion has taken place upon this subject, as to make it difficult to arrive at any conclusions that may be depended upon respecting its true nature. The spirit of party has on one side had a tendency to magnify the utility of the project, quite as much as on the other to exaggerate the dangers which will

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attend it. We frankly confess that it has very much excited our surprise, to see the friends of the administration so ready to make up an issue here; for it seems to us that by so doing they expose themselves to the responsibility which will inevitably be incurred, if the results in performance do not come up to those which have been promised. For our own part we see no merit at all in the sub-treasury project, but then we find in it nothing positively objectionable. The great error it involves is in the dereliction of duty; the voluntary abnegation of that control over the currency which it is the primary duty of every good government to secure, in order that the people should not suffer. The mere regulation of what shall or shall not be the medium of payments to be made into the national coffers, can never involve a question to compare in importance with that affecting the amount of exchanges, constantly going on between citizens of the same state or of different states. A government of any kind necessarily has within itself a power of coercion, which will always save it harmless from loss in comparison with that which must be borne by individuals. It may dictate its own terms, and there can be no one to contradict. But the moment that it assumes the attitude of command, it loses the greatest of its recommendations, the protecting attribute, and becomes little better than tyranny, and this it is not a whit the less under a democratic form of administration than under a despotism. The want of sympathy is just as striking in both cases, and the inattention to the convenience or the benefit of the individual citizen. Hence the difference between the two becomes only the difference of a : me.

But let us for a moment proceed to examine more minutely the precise operation of the sub-treasury scheme, so far as we can understand the views of its advocates. And to this end, let us adopt for our guide the pamphlet* published some time since by Mr. Gouge upon the subject, particularly as it is the only work we have seen which takes any thing like practical views. The first remark which occurs to us to make, has reference to the general amount of specie which the government would probably require the country to supply. This appears to us to be easily estimated, although it has been the subject of much exaggeration by the different parties, according to their peculiar bias. Of course the amount of specie must depend entirely upon the proportion in which the receipts exceed the expenditures of the treasury; because it is only the average of balances unexpended, which will remain on hand in coin. Now if we look to the past and observe what these average balances were during the existence of the national bank, or (throwing out of view the artificial surplus of the years 1834–5) during the time since elapsed, we shall find that they did not exceed the sum of five millions of dollars, and were even then subject to extraordinary fluctuations, sometimes falling and sometimes rising, according as the occasions happened when large amounts of the national debt became due and were paid off. Yet five millions would seem, if we judge by the past, to be the sum of coin which the operation would keep locked up. But we incline to think even this sum is greater than what would be necessary for the future, and that for these reasons: The derangement of the currency will necessarily have an effect in checking trade, and through this of diminishing the receipts from the customs, already declining from the reduction which necessarily

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*An Inquiry into the Expediency of dispensing with Bank Agency and Bank Paper in the Fiscal Concerns of the United States, by William M. Gouge, Author of a Short History of Paper Money and Banking. Philadelphia, 1837.

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takes place in the duties by the working of the compromise act. The sales of the public lands would probably fall short also of producing under the new system, the sum which has been heretofore received through the facilities furnished by bank credit. If nothing but specie is to be the medium of payment, of course not so many persons will be able to make the payments required, as were so while they could rely upon the assistance of paper. If then on the one hand, we calculate that the general receipts of the government must fall off under a deranged system of currency, on the other, we see no reason to expect any corresponding diminution of public expenditure. Every year adds to the charges which attend the administration of the public affairs, and that even in a ratio more than proportionate to the enlargement of the settled portion of the union. And notwithstanding the outcry that is constantly kept up about extravagant appropriations, and the natural desire existing in every party of the majority to do all they can to reduce expenses, and thus gain the credit with the people of loving economy, experience fully proves that under whatever party the government is carried on, the expenditures do go on, and will go on increasing, and we see no reason for supposing the system, which has been established so long that the public mind has become too much habituated to it to pay any attention to the complaints that are made, will ever be checked, until the deficiency of the receipts becomes striking enough to threaten the formation of a new national debt.

But it must be very plain to the dullest comprehension, that when the expenditures of the government exceed the receipts, the effect of the sub-treasury system upon the country must be exactly nothing at all. For where there is no money to keep, of course there is no necessity of making arrangements to keep any. To supply the vacuum, the treasury must either be authorized to issue bills of credit, like treasury notes, or new schemes must be devised to increase its resources. The issue of treasury notes receivable in payment for duties would supersede the necessity of a recourse to specie in settling with the government, and hence there would be no interference at all with the other credit relations between individuals, which could go on in the country, generally, just the same as if there was no government. And inasmuch as the issue referred to would be much more acceptable to the community than the devising of any new burdens in the way of taxes, it is fair to presume that this contrivance will be continued in practice so long as it is possible to make it available.

Under this exact view of the case, the effect of the sub-treasury upon the country, would probably be to create an artificial species of currency, to be used for a particular purpose, and to a limited extent. This currency would in general consist of treasury drafts, issued to public creditors in payment of demands growing out of the service, and of treasury notes—and no specie could ever be required, excepting when the supply of these happened to fall short of the demand, a contingency which could occur to a great extent only when the revenue became excessive, an event not likely very soon to take place again. Banks and brokers would of course supply themselves with a sufficient stock of this species of currency, to accommodate those of their customers who were in habitual necessity of resorting to them. And the government, while receiving and paying out this peculiar species of currency, would stand entirely aloof from all action upon the medium used in fulfilling the rest of the contracts and engagements in the community just as much as if it was the government of China.

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But in order to make this more perceptible, let us enter into a minuter analysis of the sources of income for the United States, and the precise situations in which it is realized. Here, our labors are essentially facilitated by the tables which we find appended to the pamphlet of Mr. Gouge. By them we find, that during the year 1834, the relations in which the various portions of the union stood to the treasury, were as follows:

The expenditures in the eastern states of New England were less than the receipts for that year, in the sum of $28,908, and about to this trifling amount, therefore, New England would, under the new system, have become a debtor to government for specie. In the middle states, including the great port of entry, of New York, the excess of receipts over expenditures was in the sum of $1,127,297; and to that extent, New York would have been a debtor for coin. But, on the other hand, the expenditures exceeded the receipts in the south and southwestern states, in the sum of $957,218, and in the western states, in the sum of $867,470. Hence, in these two sections of the country, the treasury of the United States would have been a debtor of specie to them to so large an extent as not only to swallow up the amount due to it in its turn in the other divisions of the union, but even to leave it positively deficient—a deficiency which was in fact covered only by the balance from the preceding year.

In this case, it is very clear there would have been not the least necessity for any specie at all. For the west and southwest, to whom so much was due over the receipts, would have taken for the excess, the drafts of the treasury upon New York, and these would have served as a medium of remittance to the merchants of that city, who would have paid them into the custom house at that place instead of coin. So that, in point of fact, the balance which the United States could have held in specie, any where, during that year, under the sub-treasury scheme, would have been too trifling to deserve to enter into consideration in any discussion of the operation which takes place upon the credit system of the United States.

By the table which we have already cited so much, it appears that of all the collections made into the treasury in 1834, New York city furnished nearly one half. That is, the sum total of receipts throughout the United States, being slightly over twenty millions of dollars, the receipt for customs in New York was more than nine millions of dollars. It appears, then, inasmuch as the receipt and expenditure for New England is so nearly balanced by the amount realized from customs in Boston, as to make a case by itself, that New York did that year supply the fund out of which the excess of expenditures in the rest of the creditor states was paid. But this very circumstance of the concentration of the foreign trade in New York, by which it becomes the distributer of goods to all the rest of the country, and thus runs them in debt to her to pay for them, is the one which would make treasury checks upon the sub-treasury at New York, an object of desire to all who deal with her. They would of course prefer to be paid in a mode so easy of remittance, rather than give the government the trouble of transferring specie, which they would have the trouble and expense of sending back again. Hence a system of drafts would take the place in no long period of any system of specie, and the sub-treasurers would become very convenient officers in a sort of new customhouse bank.

If we are in any degree correct in our views, the general effect of the sub-treasury scheme upon the currency and banking system of the country, must in ordinary years be admitted to be likely to be very small. Even in

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New York, where the greatest sums are accumulated, one fact used by Mr. Gouge, to show the feasibility of the plan, is the most conclusive argument against its utility. "In no one week," he says, "of either of the years, 1833 or 1834, did the amount received at the custom house in New York exceed $650,000." This would make a little more than $100,000 a day, in periods of the greatest receipt, though the average of receipt through that year did not equal thirty thousand dollars. Now, when we consider what a very small proportion this bears to the payments between individuals, and that a single bank of moderate capital probably receives a greater sum every day, we can very easily appreciate the extent to which the sub-treasury is likely to correct a disordered currency. And when we reflect upon the sum of daily payments which are made in *all the banks together*, in a place like New York, it immediately becomes evident, that the mere presence of a sub-treasury like the one described, can never have any effect in supplying an adequate quantity of good currency, or in preventing the depreciation of a bad one.

To sum up all in one word, the precise effect of the new plan, as it seems to us, will be simply to remove the government from any control whatever over the currency of the people, and to create a peculiar currency for itself. This last may be of gold and silver, it is true, but we do not imagine it will really turn out to be more than a different species of paper. Ten millions of treasury notes will, in our belief, be quite sufficient to effect the entire movement of the national finances for a year without any need of coin, provided always, that the president or secretary of the treasury is disposed to have it so. But since the days of distributing the surplus revenue, we have had our confidence so much shaken, in the capacity of the latter, that we dare not affirm that he would not break up the ordinary channels of trade again, as he did then, whenever his arithmetic prevailed over his notions of commercial affairs. The sub-treasury, badly managed, might make itself felt as an evil, just as a bank does when badly managed; but we must again repeat our conviction, that there is nothing in its ordinary course which would merit for it so distinguishing an epithet as either good or bad; so far as the currency is considered, it appears to us to be likely to be a mere nullity. And in this point of view, if established at all, it would be far better that it should go into operation with the specie clause, as it is commonly called, than without it; for the banks would be more thoroughly protected by it from the hostility of the government, whenever minded to be hostile, than if it was in the habit of receiving their notes, and thus able to return them in large quantities at once, for redemption in coin. For these sweeping demands would always be more difficult to meet than the more straggling ones of individual merchants about to pay their bonds, which could be provided for beforehand, by securing sufficient substitutes for coin in the peculiar paper medium which the government is bound to receive.

The great objection to the sub-treasury plan, is then of a negative kind. It is rather for what it fails to do, than for what it does, that we think it should be condemned. It fails to protect the people from a fluctuating paper medium; it fails to provide a sound and uniform currency; it fails in benefiting any one but creditors of the government, who are generally office-holders, and these it benefits at the expense of all the other citizens. It is an unfortunate surrender of one of the great objects for which the constitution of the United States was adopted, and is a retrograde movement to the misery and disgrace of the last years of the confederation. The policy which it

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marks out is the let-alone policy, which never has heretofore, to our knowledge, made a people great and flourishing, and which, to our best belief, never will hereafter.

But there is another project which has been connected with the sub-treasury, the effect of which may be more decided for good or for evil. We allude to the proposition for a general bankrupt law, with provisions applicable to all corporations issuing promises under state authority. This, we admit at once, to be likely, if adopted, to produce a decided change in the currency. But it will, at the same time, enormously increase the national power and make a step towards consolidation, before which all former federal offences of this kind must sink into insignificance. Of course, we are not prepared, at this time, to go into an examination of a project which has hardly yet assumed a shape sufficiently definite to enable us to take hold of it. But it has already been once recommended by the president of the United States, in a formal message to congress, and we have reason to believe is yet a favorite notion with many of his most active friends. Hence it is not unlikely to be again pressed before the attention of the public in so earnest a manner as to make it advisable that some idea should be generally entertained of its probable operation.

A bankrupt law, then, which should provide for the winding up of all corporate institutions, such as banks that issue promises on demand, immediately upon their failure to redeem them, would have the effect of putting all the state banks in the country under the control of a central power existing somewhere or other in the national government. It would of course subject the charters granted by state legislatures under state authority, to be construed and terminated by the courts of the United States, and to that extent destroy the whole penal authority of those belonging to the several states. We are not prepared to say that this very high-toned measure might not work favorably in eradicating the precise disease under which the currency labors, but we very much doubt whether its general tendency, in all other respects, would not be highly pernicious. We should most particularly be afraid of the political organization which it would create, and the subjection that would follow of the money power of the country, to the influence of ardent and ambitious politicians. It has heretofore been a favorable feature in our financial system, that the property of the public has been made a sacred trust in the hands of that class of citizens who were not dependant upon the political government for favors or support. When this principle has been adhered to, no losses have ever been incurred, and the instant it has been departed from they have always happened in great numbers. Now the present plan appears to sink it wholly out of sight, by making all classes of citizens in a degree dependant upon government favor. It leaves hardly a person in active occupation, whose interest would not be liable to be directly affected by the application of the law, and who would not therefore be joined in interest with the particular system of policy, whatever that might be, which it pleased our temporary rulers to declare to be the right one.

Yet it is on the whole too early to take any decided ground in opposition to a scheme which has been so little unfolded, and which may after all never be pressed to execution. The doctrine which it involves is so directly adverse to all the favorite constitutional scruples of the majority, in the entire southern region of the country, that we cannot persuade ourselves they will ever be brought to listen to it. And if they will not, there is no

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danger of its ever being adopted. We wish we could say the same of the notion of returning to a metallic currency, but we cannot. There is just enough of uneasiness in the public mind, about the durability of paper money resting only upon credit for its value, to foster the hope of improvement from the adoption of a different and more certain medium of exchange.

Yet when we think a moment upon the actual state of the circulating medium, and compare the amount of coin in the country with the condition of indebtedness, which exists as well to citizens at home as abroad, we cannot but dread the effect upon all the active classes of our citizens, which the progress of this outcry for hard money may in course of time bring about. Perhaps there is no greater state of pecuniary misfortune to a nation, than that which a gradual contraction of the currency occasions. For inasmuch as the price of money goes on constantly rising under it, in the ratio that labor and commodities keep falling in value, every bargain on time necessarily is attended with loss, and the amount of that loss is just in the proportion to the length of time interposed between the engagement and execution. The purchaser of goods to-day, cannot sell them again to-morrow, with any prospect of recovering his outlay, and every day that he keeps them on hand renders it more desperate. The scarcity of currency makes the value of all debts expressed in the ordinary mode, far more burdensome to debtors, for the reason that it diminishes the valuation of all the property they have in offset. And the only class of individuals who are in any degree bettered in situation, are the heavy capitalists, who owe nothing to others, but have much owed to them.

It seems now not unlikely, that for some time to come, this contraction of the currency, consequent upon the attempt to continue specie payments, will have the effect we have described. The next year will probably for the first time, develop the practical effect of the great loans which have been negotiated in Europe, at such exorbitant prices. These will, however, press most heavily upon those sections of our country which have now no metallic basis for their currency, and will materially impair their ability soon to resume one. Nothing can save us from ultimate bankruptcy, but extreme economy and extreme industry united. Economy, in not purchasing more from abroad than we absolutely need; industry, in producing as much as we can to sell. Whether the people throughout the United States are yet prepared to see this in its true light, and avoiding all the false notions which ever are found in plenty during critical times, to set about the work of redemption in earnest, and upon the principles we describe, we are unable to say. There are some indications to prove the contrary, which we regret to perceive; for it is not impossible, that they may be precursors of a new attempt to stretch the credit system even farther than it has yet been stretched, an attempt, we will add, that can end only in one, and that a very fatal way.

The evil of the time is a great want of confidence, and this want of confidence exists only because when given, it has heretefore been so much abused. Nobody now has much faith in the stability of any thing, for the reason that little or no stability has yet been shown any where. If we mean to get on again, we must strictly adhere to our promises, and show the world that there is still some ground left to build upon. The government must be a little more mild in its demeanor, and less inclined than it is to set up new projects. The people must be less addicted to favor flattering demagogues, who tell them only what it pleases them to hear. And all sober and

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reasonable men must unite together, to scout the quack notions of the day, which are fearfully prevalent, and which every sciolist in political economy is ready to press into practice, with as much confidence as if philosophy and experience had combined to prove their value.

There are on the one hand the cotton producers, who, if we are to judge by the spirit of the late convention at Macon, are disposed to throw upon the credit system the whole burden of the expense of raising their staple, for at least six months after it is brought to market; and who, with every profession of allowing the natural rule of supply and demand to regulate the price, are in fact for measures which would prevent, by artificial interference, that supply from meeting the demand. We are unable, at this time, to devote the proper degree of attention to this new project, nor indeed has it yet come in sufficiently definite form before the public, to enable us to take hold of it as it deserves. But we do not consider the effect this may produce, as of half so serious a nature as that which may follow the disposition undoubtedly increasing among the northern states, to favor the notion of a metallic currency, already referred to. This movement comes from a quarter where, we must frankly confess, we should least have expected it, and is calculated to bring about changes very much at war with the professed designs of its advocates. The practical result would be, so far as we may be permitted to express an opinion, to put in the hands of rich lenders most of the solid property of the country, and to turn adrift into the world all that large class of debtors, who live by applying their industry and their activity, to the improvement of wealth but partially their own. Such appears to us to be the precious nature of the boon, which the wisdom of some equality-loving politicians is craving for us. Now although we profess less than they do, yet by repudiating their notion altogether, we do not doubt that we are really working more effectually to preserve equality than they are in supporting it. Hardly any direct project of making the rich richer and the poor poorer, could be devised that would be so effective to the purpose as this one; for the credit system, defective as it questionless is in many points, ought by no means to be reproached with any tendency to depress human industry, or with not supplying the means of advancement in fortune to all men of good character, whatever their disadvantages in early life may have been. We are wholly at a loss to understand the force of the arguments that have been brought to bear upon it on this score. Those which are made by capitalists appear far more solid, and when urged by them, excite in us no surprise. We see and know that the credit system does interfere with the profits that might be made by ready money, as well as to shake the basis of valuation upon which all the property of a rich man must rest. But these are reasons only to influence the selfish and wealthy, and not to weigh a feather in the mind of him who has nothing of his own, and whose chance to get something is better under the credit system than without it. If the denunciations against banks, could ever so far shake the credit of their notes as to exclude them from circulation, and to reduce our currency down to the fifty or sixty millions of specie which we now possess, we know of none who would gain so much power by the change as the great capitalists. For they could employ more laborers at lower wages, they could spread their hands over more houses and lands, and force to ruin if they liked it more of their debtors, than would be possible for them under any other modification of circumstances. How far this would conduce to greater equality, our readers can judge as easily as we.

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But we are sensible that this argument is not necessary, to satisfy the intelligent and active members of the community of the true tendency of any project to return to a metallic medium, and we hardly expect it will ever reach the minds of most of those to whom it might be serviceable to consider it. Yet in reviewing the present state of the currency, it would not have been proper wholly to overlook the fact of the existence of those who entertain such opinions. Many of them have secretly cherished a hope that by degrees a sufficient quantity of the precious metals could be accumulated among us at once to take the place of a discredited paper medium, without the hazard of any convulsion. These persons do not appear to have sufficiently considered the difficulty in the way of changing the proportions in which the limited supply existing of the precious metals is divided among the commercial countries of the world; nor the constant tendency of the paper of this country to increase itself in a threefold ratio to the increase of those metals. There is no subject which will less patiently admit of quack treatment than money. If the majority will persist in seeing things in a light which is not a natural one, and will base their action upon it, the only consequence must be, that the prosperity of the community of which they are a part, will be made to pay the penalty of their disregard of the truth.

We know it will not be a very consoling idea to most of our readers, to imagine that matters will have to be a great deal worse before they can be permanently better. Yet such, in our humble opinion, is the only conclusion we can arrive at in the present moment. This is emphatically the age of experiment in most things, but particularly so in currency and banking; and this age must be *worked* through before the true principles—whatever these may be—can be expected to prevail. The process may be a very severe one—it has been so already—but there are intervals from pain frequently to be expected which will materially relieve the exhaustion attending the operation. The principle of life is strong in the body politic, and will bear a great deal of clumsy and even cruel treatment without sinking; and there is no danger but that *whenever it shall choose to say the word*, it may be brought back to the condition of health and prosperity which it has heretofore enjoyed.

Cash Purchases.—From the great and unavoidable losses sustained by the "credit system," a man who has ready money can buy with immense advantage to himself, by always paying *cash* for his goods. If, in addition to this, he has sufficient cash in hand to defy the larger houses, and will sell "for cash only," he may realize a fortune in a few years. Once let an establishment be noted for "cheap bargains," and purchasers will flock to it as instinctively as sharks to a ship!

I recommend to you to deal only with those merchants who have the fairest characters, and are in the best established circumstances.

Such persons are always able to sell cheaper, and if you require it, to give longer credit than persons of less standing in the world; besides this, their reputation is of more value to them than to run the risk of committing, or conniving at, a fraudulent action. Moreover, they keep generally a larger stock of goods than smaller dealers, thus affording you a better variety to choose from.—*Foster.*

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MERCANTILE LAW.

Art. IX.—MERCANTILE LAW CASES.

COLLECTION OF DEBTS—POOR DEBTORS.—COMMISSION MERCHANTS—SUPERCARGOES.—PROMISSORY NOTES—FRAUD—PAYMENT.—SALVAGE—FRAUDULENT COMPACT.—BILLS OF EXCHANGE.—USURY.—COLLECTOR OF CUSTOMS.—CHEATING BY FALSE PRETENCES.—GENERAL AVERAGE.—BILLS OF EXCHANGE—RIGHTS OF CORPORATIONS.—CASE OF SALVAGE FOR SERVICES RENDERED BY ONE WHALER TO ANOTHER.

COLLECTION OF DEBTS—POOR DEBTORS.

It is our intention to obtain for the Merchant's Magazine, as soon as the necessary arrangements can be made, accurate and condensed accounts of the laws respecting debtor and creditor in the several states, and in England. The utility of a series of articles of this kind, is obvious; and it is equally evident, that our plan cannot be carried out immediately. We mention this, because we may often allude to the means of collecting debts in different states, in a manner less full and complete than it is our intention to do ultimately, and which may still be useful and acceptable to our readers. We are reminded of this subject by a trial which recently took place in Boston. It was an action brought by *John Wilson* against *Ellis G. Blake*, and was a case in which the plaintiff made charges of fraud against the defendant in concealing his property from his creditors.

The jury returned a verdict in favor of the defendant. The details of the case are of no public interest, and we mention it principally for the purpose of calling attention to a provision in the revised statutes of Massachusetts, which, we are led to believe, is somewhat peculiar.

By the 27th section of the 98th chapter of the revised statutes, it is provided, that when any debtor shall give notice of his intention to take the oath before provided for poor debtors, the creditor may allege against him certain specific charges of fraud, upon which either party may have a trial by jury.

The charges must be fully, plainly, and formally set forth in writing, and be signed by the creditor, and he must make oath that he believes them to be true.

The only fraudulent acts which the creditor shall be allowed to charge, are the following:

First, that since the debt was contracted, or the cause of action accrued, the debtor has fraudulently conveyed or concealed, or otherwise disposed of, his estate, or some part thereof, with design to secure the same to his own use, or to defraud his creditors; or,

Secondly, that since the debt was contracted, he has hazarded and paid money or other property to the value of one hundred dollars, or more, in some kind of gaming prohibited by the statutes of the commonwealth; or,

Thirdly, that he has wilfully expended his goods and estate, or some part thereof, for the purpose of enabling himself to swear that he has not any estate to the amount of twenty dollars, except such as is exempted from being taken in execution; or,

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Fourthly, if the action was founded on contract, that the debtor contracted the debt with an intention not to pay the same.

The creditor cannot upon the trial give evidence of any charges of fraud, not contained in his statement, nor of any supposed fraudulent acts of the debtor, committed more than three years before the commencement of the creditor's original action.

If the debtor be found guilty of any of the above named charges, he shall have no benefit of the poor debtor law, and he shall moreover be sentenced to confinement at hard labor, in the county jail, or house of correction, for a term not exceeding one year, according to the circumstances of the case.

We have never heard of a conviction under the above statute, and we believe the present case is the first that has ever been tried in Boston.

COMMISSION MERCHANTS—SUPERCARGOES.

The United States Circuit Court in Boston, was occupied several days last month, in the trial of the action of *Forestier* v. *Bordman*, which involved principles of great interest and importance in a mercantile point of view.

It was an action of *assumpsit*, brought by the plaintiff, a merchant of Batavia, to recover of the defendant, a merchant of Boston, $1637 00, the amount advanced by the plaintiff on a sale of flour made by him for the defendant on a credit, the purchaser having become insolvent.

It appeared in evidence, that in the year 1830, the defendant shipped in the Shylock 1000 barrels of flour, and placed it in the keeping of Mr. Stephen H. Williams, as supercargo. The vessel sailed for Rio Janeiro, and 775 barrels of the flour were there sold. She then put into Montevideo, but the state of the market being very unfavorable, the supercargo concluded to carry the balance to Batavia. He did so, and requested the plaintiff to sell it, and invest the proceeds, together with the proceeds of that sold in South America, for the benefit of the shipper. The market was glutted, and the flour was somewhat damaged, but it was sold by the plaintiff to one Johannis, on a credit of six months, and the proceeds, deducting the interest, was invested in coffee, which was shipped to the defendant, and by him received. No guaranty commission was charged in the account of sales, and Mr. Williams had no knowledge that the flour was sold on a credit of six months until after the sale was made.

After the coffee had been shipped to the defendant, Johannis, to whom the flour was sold, became insolvent, and the plaintiff, not being able to obtain payment from him for the flour, claimed in this action to recover of Bordman the amount of the advance.

The principal point in the case was, whether the plaintiff or the defendant should suffer by the failure of Johannis, or, in other words, whether the sale made by the plaintiff was at his risk or at the risk of the defendant—the defendant contending that the plaintiff had no right to make a sale on credit. There were some other points in the case of minor interest, and many witnesses were examined.

Judge Story charged the jury, that the supercargo had a perfect right to carry the flour round to Batavia if he found it impossible to effect a sale in the ports contemplated by the parties, because when any emergency happens which was not contemplated by the parties, the supercargo is bound to act upon his best judgment. And whether Williams had or had not a right to carry the flour to Batavia, the fact that Bordman received the coffee without objection, was a confirmation of the transaction.

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The next question was, whether the plaintiff had a right to sell the flour on a credit of six months. On this point the rule of law was, that a commission merchant has a right to sell on a credit, if the usage at the port authorizes a sale on credit. The jury were to determine whether it was customary to sell on credit at Batavia. If it was, then the plaintiff had a right to do so unless he was specially directed in what manner he was to sell.

Then, at whose risk was the sale actually made? The law was explicit, that where there is a usage of trade authorizing a sale on credit, and a sale is so made, it is at the risk of the shipper, unless there be some usage or a special agreement to the contrary. In this case the sales were not guarantied, and as sales in Batavia often *were* guarantied, the presumption was that Mr. Forestier did not intend to be responsible for the price of the flour sold to Johannis.

In regard to another point of defence, that the plaintiff was guilty of negligence in not recovering the debt of Johannis, the jury must judge from all the circumstances of the case, bearing in mind that a commission merchant was not bound to sue immediatety on a claim becoming due. He must be governed by his best judgment under the circumstances.

It had been argued that the plaintiff was in fault in not giving the defendant early notice of the failure of Johannis; but the defendant could have no advantage of this unless he had proved that a change of circumstances had taken place, or that he had suffered some actual injury from the want of notice.

The jury returned a verdict for the plaintiff.

After the verdict was rendered, Judge STORY remarked, that a more important case in a mercantile point of view, had not been tried before him for a long time.

PROMISSORY NOTES—FRAUD—PAYMENT.

In the Court of Common Pleas in Boston, on Tuesday, October 29th, the case of the *American Bank* v. *John S. Jenness and others*, was an action of *assumpsit* on a promissory note for $4000, dated July 13th, 1836, payable on demand, and signed by the defendants. This note was lodged as collateral security with the plaintiffs by Grant, Seaver, & Company, previous to their failure.

The defence was, that the note had been paid by the defendants nearly a month before it was lodged with the plaintiffs by Grant, Seaver, & Co., to wit, on the 21st of February, 1837; and that it was put into circulation by G., S., & Co., without the knowledge or consent of the defendants.

To prove that the note had been paid as above, Mr. Grant was put upon the stand as a witness, although objected to by the plaintiffs.

The counsel of the plaintiffs argued to the jury, that the note not having been taken up by the defendants, and nothing appearing on the face of it to show a payment, a transfer of it by the payees under such circumstances, to an innocent endorsee, would hold the defendants. The plaintiffs had taken the note on the strength of the defendants' names. There was nothing on the note unusual for an unpaid note, and consequently nothing to put the plaintiffs to an inquiry whether it had been paid. That the circumstances of the case were such as to warrant the jury in the conclusion, that it was the intention of the parties that the note should be re-issued, and that to suppose the contrary would be to impeach very essentially the integrity of the persons who passed the note to the American Bank.

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Chief Justice WILLIAMS instructed the jury, that if the defendants had once paid the note, it could not be revived by being again put into circulation, unless the defendants had put it into circulation or had consented to it; and their consent might be express or implied. The loss in the present case must fall on the party who had been in fault. But the defendants had not been guilty of such neglect, by merely not taking the note up when they paid it, as was sufficient, of itself, to hold them now. The plaintiffs must make out something stronger; they must satisfy the jury that the defendants gave either an express or an implied consent to the note being put into circulation after it was paid.

The jury were unable to agree. It is said that they stood 10 to 2 in favor of the plaintiffs.

SALVAGE—FRAUDULENT COMPACT.

In the United States District Court, in Boston, on Friday, 11th ult., the case of the *Merchants' Insurance Company of Boston* v. *Asa Seller*, was a libel in the Admiralty, in behalf of the owners and insurers of the ship Bombay and cargo, against the first mate of that ship, to recover a sum of money alleged to have been paid to him by the salvors of the vessel, which got on shore, and was carried into Key West in February, 1838.

The libel charged, that $1000 was so paid to the captain, $300 to the first mate, and $200 to the second mate. That it was paid in pursuance of a corrupt understanding between the salvors and officers, and with a view to influence the testimony of the latter, and to inflame the salvage, &c.

The captain paid the amount received by him, when demanded by the agent of the insurers. The second mate being out of the country was not served with process, and the suit proceeded against the first mate alone.

He filed an answer, admitting the receipt of the money, but denying any fraud, or agreement, between him and the salvors, and alleging that the money was given him from motives of compassion, and in consideration of his unfortunate condition.

The court gave judgment for the libellants, for the sum received by that officer, three hundred dollars, and costs. The reception of the alleged sums of money from the salvors, by the officers of the wrecked ship, under the circumstances in which the property committed to their charge was placed, was holden by the court to be altogether inadmissible. The transaction was pronounced to be of novel and exceptionable character; that with the aspect of charity and benignant consideration, it placed the officers of the ship in a position in reference to the claims of salvage, then in controversy, incompatible with their dutiful relations to the ship and cargo, and to owners and underwriters.

BILLS OF EXCHANGE.

In the case of *Andrews* v. *Pond*, decided in the Supreme Court of the United States, at the last term of the court, it was held that a person who takes a bill, which on the face of it was dishonored, cannot be allowed to claim the privileges which belong to a bona fide holder without notice. If he chooses to receive it under such circumstances, he takes with it all the infirmities belonging to it; and is in no better condition than the person from whom he received it. There can be no distinction in principle, between a bill transferred after it is dishonored for non-acceptance, and one transferred after it has been dishonored for non-payment.

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USURY.

In the same case above mentioned, the court also decided that there is no rule of law fixing the rate which may be charged for exchange. It does not depend on the cost of transporting specie from one place to another, although the price of exchange is no doubt influenced by it.

COLLECTOR OF CUSTOMS.

In the case of *Bend* v. *Hoyt*, decided in the Supreme Court at Washington, and reported in the last volume of Peters's (N. S.) Reports, the court held

1. That even courts of equity will not interfere to assist a party to obtain redress for an injury which he might, by ordinary diligence, have avoided. And, *a fortiori*, a court of law ought not, when the other party has by his very acts and omissions lost his own proper rights and advantages.

2. A collector is generally liable in an action to recover back an excess of duties paid him as collector, when the duties have been illegally demanded, and a protest of the illegality has been made at the time of payment, or notice given that the party means to contest the claim. Nor is there any doubt that a like action generally lies, where the excess of duties has been paid under a mistake of fact, and notice thereof has been given to the collector before he has paid over the money to the government.

FRAUD.

The party selling property must be presumed to know whether the representation which he makes of it be true or false. If he knows it to be false, that is fraud of the most positive kind; but if he does not know it, then it can only be from gross negligence; and, in contemplation of a court of equity, representations founded on a mistake resulting from such negligence are fraud. The purchaser confides in them upon the assumption that the owner knows his own property, and truly represents it. And it is immaterial to the purchaser whether the misrepresentation proceeded from mistake or fraud. The injury to him is the same, whatever may have been the motives of the seller. The misrepresentations of the seller of property, to authorize the rescinding of a contract of sale by a court of equity, must be of something material, constituting an inducement or motive to purchase; and by which he has been misled to his injury. It must be in something in which the one party places a known trust and confidence in the other.—13, *Peters's Reports*, 26.

CHEATING BY FALSE PRETENCES.

We formerly alluded to a law in force in Massachusetts, respecting cheating by false pretences. A case was recently tried in the Boston Municipal Court, in which a somewhat novel question arose, which will render it necessary for the merchants in that state to be cautious as to whose credit they rely upon in selling goods; whether they rely wholly on the credit of the purchaser, as he asserts it, or on the representations of others respecting his credit.

The trial to which we allude, is that of *Jonathan S. Fitts*, who was charged with obtaining one thousand dollars worth of goods from *Milton & Slocum*, merchant tailors, of Boston, in October, 1835. Fitts lived at Braintree, Vermont, and was a pedler, and represented he had unincumbered real estate in

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Braintree, of the value of two thousand dollars, and was worth one thousand five hundred dollars besides, and owed but eight hundred dollars. In November, 1835, he conveyed his real estate to Colonel Hutchinson, and it was in fact under mortgage at the time, and was worth but four hundred and fifty dollars, over the mortgage. In January, 1836, he fled to Canada, writs being against him, where he worked as ostler in a tavern. The Canada troubles came on, and he went to Western New York, where he was arrested on this charge. He then worked on a farm at the halves. He owed about two thousand dollars in Boston, and between two and three thousand dollars in New York, and other debts in Braintree, none of which have been paid. He offered some evidence of his property as it was in October, 1835, and that it was not over valued then by him. When he applied to Milton & Slocum for credit, he referred them to Col. Hutchinson and Mr. Kidder, his neighbors, then in Boston, both of whom fully recommended him as worthy of credit, etc. After this recommendation, the goods were sold to him. Milton & Slocum testified they sold the goods on his representation, and inquired of Kidder and Hutchinson as to his character for truth and honesty, to ascertain if they could rely on his statement. Kidder and Hutchinson testified to declarations of Milton that he sold the goods to Fitts, wholly on the recommendation of Colonel Hutchinson. The defendant's counsel asked the judge to instruct the jury, that if there were a fraudulent misrepresentation by the defendant, yet if the goods were sold wholly or principally on the recommendation of others, the case was not within the statute, as the defendant did not obtain the goods by his false pretences, but by the recommendation of Kidder and Hutchinson. Mr. Parker, the prosecuting officer, replied on Chief Justice Savage's doctrine, in 13 *Wendell*, 91: "It is enough, if the false pretence had a controlling influence on the vendors," and also on Judge Nelson's opinion, in 11 *Wendell*, 567.

The jury acquitted the defendant, as it is said, on the point that the goods were delivered rather on Hutchinson's recommendation, than on the prisoner's false pretences.

GENERAL AVERAGE.

In the case of the *Columbian Insurance Company of Alexandria* v. *Ashly and others*, decided last winter, at Washington, it appeared that the brig Hope, with a cargo, bound from Alexandria, in the District of Columbia, for Barbadoes, insured in Alexandria, was assailed, while standing down the Chesapeake bay, by a storm which soon after blew to almost a hurricane. The vessel was steered towards a point in the shore for safety, and was anchored in three fathoms water; the sails furled, and all efforts were made, by using the cable and anchors, to prevent her going on shore. The gale increased, the brig struck adrift, and dragged three miles; the windlass was ripped up, the chain cable parted, and the vessel commenced drifting again, the whole scope of both cables being paid out. The brig then brought up below Craney island, in two and a half fathoms water; where she thumped or struck on the shoals on a bank, and her head swinging round brought her broad side to the sea. The captain finding no possible means of saving the vessel and cargo, and preserving the lives of the crew, slipped her cables, and ran her on shore for the safety of the crew and preservation of the vessel and cargo. The vessel was run far up on a bank; where, after the storm, she was left high and dry, and it was found impossible to get her off. The

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lives of all the persons were saved; the whole cargo, of the value of $5335 insured for $4920, was taken out safely, and the vessel, her tackle, etc., were sold for $256. The court decided, that the insurers of the cargo were liable for a general average.

BILLS OF EXCHANGE—RIGHTS OF CORPORATIONS.

Several months ago, there was much excitement in the mercantile community occasioned by a decision in Alabama, respecting the rights of a corporation, created by one state, to recover on bills negotiated in another state. That case, as we learn from the last volume of Peters' (N. S.) Reports, p. 519, was an action which was instituted in the Circuit Court of the United States for the district of Alabama, by the *Bank of Augusta*, Georgia, against the defendant, *Joseph B. Earle*, a citizen of Alabama, on bills of exchange drawn at Mobile, Alabama, on New York, which had been protested for nonpayment, and returned to Mobile. The bill was made and endorsed for the purpose of being discounted by the agent of the bank, who had funds in his hands belonging to the plaintiffs, for the purpose of purchasing bills of exchange, which funds were derived from bills and notes discounted by the bank in Georgia. The bills were discounted by the agent of the bank in Mobile, for the benefit of the bank, with their funds, to remit the said funds to the bank. The defendant defended the suit on the facts that the Bank of Augusta is a corporation, incorporated by an act of the legislature of Georgia, and has power such as is usually conferred on banking institutions, such as to purchase bills of exchange, etc. The Circuit Court held that the plaintiffs could not recover on the bills of exchange, and that the purchase of the bills by the agent of the plaintiffs was prohibited by the laws of Alabama, and gave judgment for the defendant.

In another case, that of the *United States Bank of Pennsylvania* v. *Primrose*, the plaintiffs, a corporation by virtue of a law of the state of Pennsylvania, authorized by its charter to sue and be sued in the name of the corporation, and to deal in bills of exchange, and composed of citizens of Pennsylvania, and of the states of the United States, other than the state of Alabama, (the agent of the bank resident in Mobile, and in possession of funds belonging to the bank, and intrusted with them for the sole purpose of purchasing bills of exchange,) purchased a bill of exchange, and paid for the same in notes of the branch of the Bank of Alabama, at Mobile. The bill was protested for nonpayment, and a suit was instituted in the Circuit Court against the payee, the endorser of the bill. The question for the opinion of the Circuit Court was, whether the purchase of the bill of exchange by the United States Bank was a valid contract, under the laws of Alabama. The Circuit Court decided, that the contract was void, and gave judgment for the defendant.

There was another case: the *New Orleans and Carrolton Rail Road Company* v. *Earle*, which was similar to the one first above mentioned.

The Supreme Court of the United States at Washington, last winter, after solemn argument by the most distinguished lawyers in the country, reversed the judgment of the Circuit Court in the three cases, and held the contracts for the purchase of the bills valid, and that the plaintiffs acquired a legal title to the bills by the purchase.

The court said it was very true that a corporation can have no legal existence, out of the boundaries of the sovereignty by which it is created. It

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exists only in contemplation of law, and by force of the law, and where that law ceases to operate and is no longer obligatory, the corporation can have no existence. It must dwell in the place of its creation, and cannot migrate to another sovereignty. But although it must live and have its being in that state only, yet it does not by any means follow, that its existence there will not be recognised in other places, and its residence in one state creates no insuperable objection to its power of contracting in another. It is indeed a mere artificial being, invisible and intangible, yet it is a person for certain purposes, in contemplation of law, and has been recognised as such by the decisions of the Supreme Court. It is sufficient that its existence as an artificial person, in the state of its creation, is acknowledged and recognised by the law of the nation where the dealing takes place, and that it is permitted by the laws of that place, to exercise there the powers with which it is endowed.

Courts of justice have always expounded and executed contracts, made in a foreign country, according to the laws of the place in which they were made, provided that law was not repugnant to the laws or policy of their own country.*

It is well settled, the court say, that by the law of comity among nations, a corporation created by one sovereignty is permitted to make contracts in another, and to sue in its courts, and that the same law of comity prevails among the several sovereignties of this union. The public, and well-known and long-continued usages of trade, the general acquiescence of the states, the particular legislation of some of them, as well as the legislation of congress, all concur in proving the truth of this proposition.

CASE OF SALVAGE FOR SERVICES RENDERED BY ONE WHALER TO ANOTHER.

An interesting case of this kind has lately come before the British Admiralty Courts. It was a suit against the *Swan*, whaling vessel, of Hull, to obtain a remuneration for salvage services. The Swan was one of the vessels frozen up in Davis's Straits, in October, 1836, for the rescue of whose crews bounties were offered by the Treasury. Several vessels went out in consequence, of which number was the Princess Charlotte, of Dundee, which discovered the Swan, on the 14th May, 1837, fixed in a floe of ice, with only nine days' provision on board, many of the crew dead, and most of the survivors confined to their berths by scurvy. With the assistance of boats from two other vessels, the Dorothy and the Heroine, the salvors (making about forty men) cut a channel through the ice, three hundred and seventy-six yards long and twenty-six broad, the average thickness of the mass being three or four feet, and (by two days and nights' incessant labor) the vessel was extricated, her crew being unable to assist. The value of the property salved was £3.439.

Addams, D., and *Harding*, D., for the salvors. The bounty given by the Treasury, for the saving the lives of the crews, and the alleged custom amongst whale ships to render mutual assistance to each other, do not bar

* See the case of *Peters* v. *Warren Insurance Company of Boston*, on page 59 of this Magazine. We take occasion to correct an error made in the report of that case, in the statement that the decision of Judge Story had been affirmed by the Supreme Court of the United States. The case has been carried up to that court, but has not yet been decided there.

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the salvors, in such a case, from claiming remuneration for salving the property.

The *Queen's Advocate* and *Curteis*, D., for the owners. It is a custom, sufficiently established by evidence, that in the whaling trade, services, small or great, are rendered by one vessel to another mutually and gratuitously. If this custom is not upheld, the insurance of such vessels would be difficult if not impracticable. There never has been a case in which one whale ship sued another, except the Margaret, (2 Hagg. 48,) in which this custom was alleged, but the Court decided the case on another point, namely, that no service had been rendered.—Though the bounty paid by government did not destroy a claim for salvage, yet the Court would not give the same amount of salvage as if no bounty had been received. No danger had been incurred by the salvors, and the ice would have broke up of itself and liberated the vessel.

Dr. *Lushington.* There seems to be very little dispute as to the real facts of this case. The vessel proceeded against was unfortunately beset by the ice in October 1836, in Davis's Straits, and had the good fortune to be rescued from the situation in which she was placed, in the May following, by the exertions of these persons, stated to be salvors, with the assistance of the boats of two other vessels, which do not appear in the suit. There is no doubt whatever, that, in ordinary circumstances, the services of the asserted salvors would be entitled to receive a remuneration in the nature of salvage, unless their claim is estopped by a legal bar in the nature of a custom or practice binding on the parties employed in salving this vessel, the Swan. And in the Act on Petition it is stated, at considerable length, that it is the invariable custom for the vessels engaged in these fisheries to render any species of assistance to each other gratuitously, and it goes on to state that the master of this particular vessel was induced to accept the service rendered, by a reliance on this custom.

With regard to the custom itself, it is not altogether denied in the cause; because it is admitted by the salvors that, in respect of services of this sort, they are rendered by one vessel to another gratuitously; and there is a considerable body of evidence, on the part of the Swan, to establish the averment contained in the Act on Petition. But I do not intend to give any opinion as to the existence of this custom, because I think it is no part of my duty to determine whether this is a legal and valid custom or not, unless the circumstances of the case especially require me to decide the point. It is called a "custom," but it is, legally speaking, only a practice in the nature of a custom,—being no other than a custom of trade. It cannot be said that it is a custom which has continued from time immemorial. It is a practice entitled to the greatest possible weight; and supposing it to apply to this case, it is a custom which, in my opinion, ought to be upheld; and certainly customs of this description would not be overruled by me, notwithstanding that in one or two or three or more instances the custom may not have been observed. But it is different from a continued custom; it is a usage allowed to prevail, though not universal. The custom is founded on a principle of mutual benefit and the protection of property; because the assistance rendered by one vessel to another may be requited upon another occasion. I think it does not stand on the same principle as common cases of the kind; but such services can be rendered by one party to another, not only without prejudice, but with great advantage, to the general interests. To the extent,

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therefore, of ordinary cases, I must not be understood as saying any thing against the validity of this custom; but I should think it carried to an extravagant extent if it barred the claim of parties where a service had been attended with great risk and skill, and where the parties rendering the service had been put to great expense: an award of salvage in such a case would not invalidate the custom in other respects.

But the question is, assuming the custom to exist, can it apply to the circumstances of the present case? I think there is a material distinction; because the Swan, having been detained in the ice during the whole winter, had not embarked at this time in the operation of any joint enterprise with the other vessels; and the foundation of the custom is, that the parties were embarked in one common enterprise, and whatever service is rendered by one to another, is mutually rendered—*dant accipiuntque vicissim.* But the Swan, being in a situation of great danger at this period, could not partake of this joint enterprise, and it is quite impossible that she could have rendered assistance to any other vessel whatever. And if I were to hold that the custom applied in this case, see the consequences: I should thereby take away all hope of assistance being rendered to a vessel in the same situation the Swan was placed in; for I should take away the motive for rendering the assistance, that is, a hope of reward. So let it not be understood that I gainsay the custom: within certain limits, it is a wise and just and proper custom; but the circumstances of this case are peculiar, and the custom cannot be universally applied.

The matter being so, I am to consider what is the nature of the service, and what is the proper amount of the reward? And I am now to consider a point, intended to be pleaded in bar, only in the way of a diminution of the salvage, that the Princess Charlotte, the Dorothy, and the Heroine, have already been rewarded for the service, and that the reward is of the nature of salvage. It is admitted that the offers of the Treasury were for the preservation of the lives of the persons detained in the ice; and no doubt the object of the Treasury was the rescue of human life, and the motive of the application made to the government for assistance was founded on the risk to which the lives of the sailors on board the vessels were exposed. So far, therefore, as relates to the bounty for early sailing, I shall not be justified in taking that into my consideration in allotting the *quantum* of salvage; but with regard to demurrage and the payment for stores, supposing the Court should be called upon to allot any thing on this account, and for loss or damage of stores, I should be clearly of opinion that the owners of the vessels had been already indemnified for that loss, and I should consider that they are not entitled to be remunerated for demurrage or for stores.

Now I am to look at the service itself; and though I do not mean to enter minutely into a consideration of the details of the service, it was a service efficiently rendered, and I am clearly of opinion that the service was absolutely necessary, not merely for the preservation of the lives of the persons on board the Swan, but for rescuing the ship itself from various dangers. It is stated that from the near approach of summer, it was probable that the ice would have been dissolved, and the ship might then have been got into a place of safety. But when I look at the protest made by Dring, the master, and the others who have signed it, I confess I could only come to a contrary conclusion. In the first place, I think it would have been difficult for Mr. Dring to have rescued the vessel from the situation of peril

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in which it was placed by any exertion that could have been made by the crew, so perfectly disabled as they were by scurvy during their long confinement. In the next place, the want of provisions would have made it impossible that any thing effectual could have been done by the vessel. And Dring himself, in his protest, represents the vessel as in very considerable danger. I think, therefore, that, even supposing it to be true that the weather would have dissolved the ice, and set the ship free, the probability is that the crew would have been unable to navigate her, and there would have been a chance that the ship and stores and oil would have been entirely lost to the owners.

In order to enhance the merit of the service, it has been stated that considerable loss was probably experienced by the salvors from the delay in prosecuting the whale-fishery, in which these vessels were all engaged; and with reference to this it is said that only two whales were caught by the Princess Charlotte, whereas, it is in evidence that, during that period, a large number of whales were taken by other vessels. But the question does not properly rest on this ground; it is not the incidental circumstance of two whales or twenty whales being captured which is to govern the question; but this: What, under all the circumstances, is the probable amount of profit lost by the vessels so engaged in this salvage service, in consequence of being deprived of their boats and crews during this time? They were not altogether disabled from following the whale-fishery, though it might not be so effective. It is not an easy matter to collect what would have been the probable gain to these vessels; but in allotting the salvage I am about to assign, I must consider it probable, that, during that period, a certain *quantum* of benefit might have been enjoyed, which was lost by their being engaged in this service, and which so far diminished the profits of the vessels.

The only other circumstance which I think it necessary to advert to is this: the considerable delay that has taken place in making the demand, and I must say that it is a circumstance which has no small consideration with me. I must consider that, if the demand was founded in justice, it should have been made before. The Princess Charlotte arrived in this country in October 1837, and the owners might have proceeded in this suit at a much earlier period than they did. I have been told that negotiations were going on; but that is no satisfactory excuse. If a salvage service was rendered, the salvors were entitled to come to the Court for a salvage remuneration, and they might have brought their case before the courts in less than fifteen or sixteen months.

Looking to all the facts of the case, I am of opinion that a very considerable service has been rendered, and I think I do not go too far if I allot £700 for salvage.

Addams, D. Will the Court have the goodness to settle the proportion between the ships?

The Court. I had determined the apportionment. The sum I have allotted is £700. I think the Princess Charlotte ought to have £300, and the other two vessels £200 each.

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Art. X. — NEW YORK MERCANTILE LIBRARY ASSOCIATION LECTURES.

The regular course of lectures of this highly useful and flourishing institution, commenced on the second of November, with an introductory discourse from Professor Olmsted, of Yale College, on the mutual dependance of science and the arts, or the reciprocal benefits to be derived from an intimate local connexion of those two great departments of human labor.

In pursuance with our original plan, we shall furnish our readers with reports of all the lectures of the course to be delivered, which have a direct or indirect bearing upon commercial pursuits, or which we conceive to be of general utility.

By reference to the programme of the lectures in our last number, it will be perceived that the course for the present season differs materially from any previous course. It having been judiciously determined by the managers, that a full course upon any given subject, would be much more conducive of instruction than single detached lectures, which must of necessity, for the most part, afford but a vague and cursory idea of the subjects under discussion.

The present course, therefore, commences with ten lectures on Meteorology, by Professor Olmsted, and presents an opportunity seldom afforded, of acquiring an intimate acquaintance with the wonderful phenomena of that subtile fluid by which we are environed.

INTRODUCTORY LECTURE.

The Connexion of Science and the Arts.

Professor Olmsted commenced, by observing that one of the most striking characteristics of the present age, was the adaptation of science to the wants and understanding of the people. In former times, the now popular studies of natural philosophy, astronomy, and chemistry, were a sealed book to all but a few of the initiated in those seemingly abstruse and mysterious sciences. But at the present day, from the increased diffusion of knowledge of every kind, and especially from the establishment of institutions like the present, an acquaintance with those useful and interesting subjects, was placed in the power of every individual.

To our distinguished countryman, Dr. Franklin, Professor Olmsted assigned the honor of having first established a course of popular lectures, and also of being among the first to render a knowledge of the sciences subservient to the uses and welfare of even the humblest individual. Lord Bacon was the first, however, who taught that "a principle in science was a rule in arts," and later philosophers have made rapid strides during the last one hundred years, in verifying the truth of his maxim and developing its astonishing results.

Previous to the great reformation in the physical sciences, their votaries had not for the object of their researches, the increasing the general happiness and comfort of the human race. Astronomy was cultivated from its connexion with astrology—chemistry from its connexion with alchemy. But Dr. Franklin, and another distinguished American philosopher, Count Rumford, sought the happiness of society; their exertions were directed toward increasing the comforts, and as a necessary consequence, elevating the

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character of the lower and middling classes of the community, and the efforts of the latter were crowned with such distinguished success, that the poor of Bavaria called him blessed, and all ranks and conditions united in their testimony, to the wonderful changes he had wrought in the condition of the lazzaroni of Munich. Count Rumford was a native of Woburn, Massachusetts, and was ennobled by the king of Bavaria for his services in relieving his kingdom from vagrant mendicants, and their inseparable abuses. He was also the founder of the Royal Institution in London, where lectures are annually delivered to persons of both sexes, it having been the first establishment of the kind attended by ladies. Lord Brougham, and other distinguished savans, continued the efforts of Franklin and Rumford, but to those distinguished Americans must be assigned the honor of having "set the ball in motion."

Colleges, observed Professor Olmsted, have been considered by many, as hostile to the general diffusion of knowledge. This he thought was an error, for they have the deepest interest in the general intelligence of every class. No literary institution can flourish unless in an intellectual community; in a congenial atmosphere. When commotions and dissensions arise, we look to the educated and intelligent to calm the fury of mobs, and restore society to its equilibrium. From a principle of self-preservation, therefore, if from no higher motive, colleges beheld lyceums, and similar institutions, in a very favorable light.

As an example of the intimate connexion between the sciences and the arts, Professor Olmsted instanced the manufacture of that minute, though useful instrument, a needle. The crude ore must first be extracted from the depths of the earth, and then smelted and forged by ponderous machinery. From the incipient steps to the final results, the knowledge of how many different sciences is requisite. Metallurgy, natural philosophy, chemistry, the expansive force of steam, and the adaptation of machinery to water, or other motive powers. Then for its transportation over seas, ships must be built and navigated, demanding the aid of mechanical skill and astronomy. Thus we perceive that all labor for the mutual benefit of all. The smallest article of daily use, cannot be furnished without the labor of many hundred individuals, and thus the creatures of the Almighty are, by his wise providence, reciprocally dependant on each other.

Let us suppose, observed Professor Olmsted, that a tailor was obliged to make his own needle before he could commence his work, or that any other tradesman was compelled to manufacture the tools of his trade, it will easily be apprehended how rude and uncouth all the arts would become.

Take another example of the connexion between the arts and sciences. For instance a piece of calico, from the cotton plantation to the dry goods warehouse, and observe how various, how multiform, are the processes it undergoes; all of which, it is evident, could only be performed by persons of many different professions and trades.

To the prosperity and welfare of the mercantile class, therefore, all other classes contributed, inasmuch as the merchants were the carriers, the buyers and sellers of every description of production, whether domestic or foreign, the growth of the soil, or the product of the loom or forge. It is, consequently, to their advantage that all descriptions of manufactures should flourish. With every class of the community they are indissolubly connected; they must rise or fall together.

From the close union which is maintained between sciences and the arts,

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observed Professor Olmsted, it follows that the pursuit of the former cannot be successfully prosecuted in the absence of the latter. If our philosophical apparatus becomes deranged, our labors are suspended, perhaps for weeks, unless we have a skilful artisan at hand to repair it. Large cities, therefore, where every branch of industry and the arts is prosecuted, are most favorable for the residence of scientific men.

In the remote settlements of our western frontier, even the building of a house after the manner of the older states, is a work sometimes of months. All the materials are to be sought with much labor, workmen to be obtained from a distance of several miles, and even when every thing seems prepared, you are often delayed for the want of some trifling, yet essential requisite.

In conclusion, Professor Olmsted enjoined his hearers to cultivate a love of reading, and a knowledge of the sciences, while youth and opportunity are afforded; then, when old age comes upon us, we can retire from the scenes of active life, serene and happy, conscious of resources within ourselves which will alleviate the cares of this world, and, with the assistance of religion, lighten the pathway to eternity.

LECTURE I.

Of the Atmosphere in general.

Geography, geology, and meteorology, are the sciences which enable us to acquire an accurate knowledge of the earth.

In the present course of lectures, observed Professor Olmsted, the latter science would alone be treated upon.

Meteorology, he defined to consist in a general survey of the atmosphere, both of the upper and lower regions: to include a knowledge of winds, storms, dew, fogs, hail, thunder, aurora borealis, and fiery meteors—their origin, and the laws by which they are regulated. A subject of immense extent and of great interest.

It might be asked, said Professor Olmsted, what advantages were to be derived from a knowledge of the laws which regulate the aerial phenomena. It is evident that those advantages are very great; for if we can foretell changes in the weather with any degree of accuracy, an immense amount of property would be annually saved from destruction.

But can we foretell the weather? Professor Olmsted thought we could, with the same certainty as we can eclipses of the sun or moon. The reasons for this belief, he would disclose in a future lecture. He would merely observe, in this connexion, for the present, that there were two classes of persons who were peculiarly fitted for foretelling the weather, viz. philosophers and sailors; both classes generally arriving at the same conclusions, though by different routes. The method of the philosopher is to be preferred, since it is susceptible of being imparted to others; while that of the sailor, consisting of certain signs and appearances known only to himself, has not that desirable requisite.

A law of storms was highly important, and a hope of ascertaining it was entertained by most modern philosophers.

Professor Olmsted next proceeded to define the atmosphere, but as that is a subject with which all our readers are, or ought to be, familiar, we shall not allow ourselves to dwell upon those portions of the lecture which consisted of the usual details upon the elasticity, expansibility, weight, density, and compressibility of air.

We will observe, however, that the density of the atmosphere diminishes

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as we ascend from the surface of the earth, very rapidly. One half of the atmosphere being supposed to be contained within four miles of the earth; one fourth of it within the next seven miles, and so rapidly diminishing in density as we ascend.

The height of the atmosphere above the earth as deduced from twilight is forty-nine miles—from meteors, one hundred and fifty miles; this difference is to be attributed to the circumstance, that above the height of forty-nine miles the atmosphere is too rare to reflect the rays of the sun, consequently twilight does not indicate any greater height.

From circumstances attending the appearance of Encke's comet, we have reason to believe that an ethereal medium is diffused throughout all space, although it must be extremely rare above the height of fifty miles.

The temperature of the atmosphere is, as all are aware, colder the higher we ascend. The line of perpetual congelation is, of course, different in different latitudes. At the equator, it is about three miles from the earth; in our latitude, two miles; and in the polar regions, *on* the surface.

LECTURE II.

Dew, Fog, and Clouds.

The inductive system of philosophy, said Professor Olmsted, is the only true system by which we can arrive at certain results in physical science. It consists in an accurate observation of facts, and in carefully advancing from one set of truths to another, thus building up, as it were, a system slowly and securely.

Dew.—To a countryman of our own, Dr. Wells, of South Carolina, the world is indebted for an accurate and philosophical investigation of the phenomena of dew. Dr. Wells resided in London, in the capacity of a merchant, and it was in the vicinity of that metropolis that he prosecuted the experiments which resulted in the establishment of a fixed and substantial theory.

In making these experiments, Dr. Wells selected an open field in the vicinity of London, and the instruments which he used were a thermometer, a pair of scales, and a lock of wool. The lock of wool was for the purpose of absorbing the dew, the scales for weighing the wool before and after the process of absorption, and the thermometer to ascertain the temperature of the dew thus absorbed; and with this simple apparatus did Dr. Wells determine the laws which regulate these interesting phenomena.

The facts ascertained by Dr. Wells, relative to dew, were as follows: It begins to fall about 4 P. M.; it is most copious just before sunrise. More dew falls on clear than on cloudy nights, more on still than on windy nights, more on the grass than on sand, more on the land than on the water; on the ocean, indeed, no dew at all falls out of soundings. On bright metallic surfaces no dew falls, nor does it fall upon the naked skin of living animals.

From these facts, we arrive at the conclusion that dew does not *fall* from the heavens, as we express ourselves in common parlance, but ascends from the earth.

The following principles are involved in the explanation of the facts we have recorded above. The capacity of the air for moisture, is increased by heat and diminished by cold. In a dry atmosphere, evaporation goes on very rapidly. This every one has experienced, in the unpleasant dryness of the skin during the prevalence of hot winds. When the sun is withdrawn from the earth, the air becomes cooler, and the consequence is, that the

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evaporation from the earth, not being taken up and converted into vapor with sufficient rapidity, is deposited upon its surface and forms what we call *dew.*

To return to our facts mentioned above. Why does more dew fall on clear than on cloudy nights? Because on the former the process of evaporation taking place more rapidly than on the latter, a greater amount of moisture arises from the earth's surface.

Why more on still than on windy nights? Because the tendency of the wind is to scatter and disperse the vapors arising from the earth, and consequently a less quantity is deposited.

The inequality of temperature between the earth and the air is therefore the cause of the deposition of dew. Why then does more fall on land than on water? Because the water, being a body the surface of which is not easily heated by the rays of the sun, maintains a uniform temperature, by day and night; consequently, no inequality of temperature between itself and the surrounding atmosphere can exist.

From the explanations already given, the reader will easily perceive why dew is not deposited on bright metallic substances, or on the human body.

The frugality of nature in the distribution of dew, observed Professor Olmsted, is worthy of remark. Possessed, as it is, of highly fertilizing properties, it does not fall but where it can be of use. It does not fall upon the barren and unproductive sea, where it would be wasted, but upon the fruitful and beneficent earth.

Fog.—The facts relative to the phenomena of fogs, are as follows: They are more common, and of greater density, in cold than in hot climates; in valleys than in marshes; on the sides of mountains. Fogs do not prevail in the open sea, but on shoals, sand banks and capes, and over rivers. The banks of Newfoundland are celebrated for fogs.

The general cause of fogs is as follows: The air over land being heated to a higher temperature than that over the sea, rolls off, and its place is supplied by colder air; the meeting of the air of different temperatures, causes a great amount of moisture to be produced, and usually occurring at night, it remains suspended in the form of fog, until dispelled by the rays of the sun.

Clouds.—The height of clouds above the surface of the earth, varies from one half to four miles. The different kinds of clouds have been classified, by meteorologists, and designated by the following nomenclature, viz.: cumulus, cirrus, stratus, nimbus, and cirro-cumulus, cirro-stratus, and cumulo-stratus.

Clouds are formed by the evaporation of moisture from the earth's surface, ascending until counter-balanced by the inferior density of the atmosphere in the upper regions. Thus counter-balanced, it remains suspended in the form of a watery vapor, to which we give the name of clouds.

Some of the surest prognostications of the weather, are, it is well known, derived from the clouds, and the different appearances they assume were well illustrated by Professor Olmsted by means of appropriate diagrams.

LECTURE III.

Of Rain.

In relation to the phenomena of rain, Professor Olmsted observed, that great differences existed in the quantity falling in different countries; in some places it rains almost continually, while in others little or no rain falls during the whole year. In Guiana, in South America, and on the coast of Guinea, rains are continual and copious; but in Egypt, Arabia, and on the

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coasts of *Peru* and *Chili*, it seldom or never occurs. In other places, again, the rains are periodical; as in the West India islands, in Abyssinia, in Brazil, and on the coasts of Coromandel and Malabar, in the East Indies. There are also occasional floods of rain which continue only for a short time, but during which immense quantities of water fall. One of these floods occurred at Catskill, in this state, about twenty years since, when the quantity of rain which fell was estimated at 12 inches. Similar floods have occurred at Cayenne, in South America.

The annual amount of rain is different in different latitudes. At the equator, the quantity which annually falls is about 80 inches; in latitude 45, 30 inches; and in latitude 60, 16 inches.

We come now to the principle on which the theory of rain depends. It is a well-ascertained fact, said the lecturer, that when two portions of air of different temperature are mixed, moisture or a watery vapor is the result; and upon this principle does the theory of rain depend. When the atmosphere becomes heated by the rays of the sun, it loses a portion of its gravity. It consequently rises into higher regions, where encountering oftentimes a current of cold air, a large amount of watery vapor is produced, and is precipitated to the earth in the form of rain.

It would be natural to suppose, that the quantity of rain produced would be proportionate to the causes; or, in other words, that the greater the degree of heat which the warmer air attained, the greater would be the fall of rain. And, accordingly, we find this to be the case; since in very warm days in summer, the earth is refreshed with frequent and copious showers, far more abundant indeed, than the rains which fall in colder seasons of the year. In the warm climates of tropical regions, also, a far greater quantity of rain falls, than in cold or temperate climates.

From the explanation above given, of the cause of rain, it would be proper to infer, that constant or steady winds would produce *dry weather;* variable winds, *rain.* Let us examine whether this doctrine is supported by facts. We find, from the well-authenticated accounts of travellers and geographers, that in those regions where it never rains, as in Egypt, for instance, the wind blows almost always from the north. In other portions of the earth, as Guiana, and some parts of Brazil, where it rains daily, the winds are very variable. Those places in which rains are of daily occurrence, are generally near the sea. The air over the land becoming heated, ascends, and meeting with a current of colder air from the sea, is the cause of the frequency of the phenomenon.

In some portions of the world, also, the rains are periodical, as in many parts of the East Indies; or, in other words, the year is divided into two seasons, a rainy and a dry. If our theory be correct, we should find that in those countries the winds are constant in the dry season, and variable in the wet. And this we know to be the case from the narratives of travellers and residents in those regions.

From what has been observed, it would appear probable that *extraordinary* falls of rain are characterized by the meeting of violent opposite currents of wind, and this we find was actually the case with the great storm of Catskill, in 1818, as recorded in Silliman's Journal.

It may be asked, why our north-easterly storms continue so long with the wind in one direction. The reason is, that there is a constant counter-current from the south-west, blowing at the same time, in the region of air immediately above that where the north-easterly wind prevails, and the

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meeting of these two currents, one warm and the other cold, according to the theory before adverted to, must produce rain.

Professor Olmsted next considered the project for producing artificial rain, as advanced by Mr. Espy, of Philadelphia, and in that connexion observed that the principle itself was correct, and that if it were possible to create an artificial fire of several acres in extent, rain might probably be produced in a small district of country. We know, indeed, that in London and its vicinity, and in the large manufacturing towns of Great Britain, it rains almost every day; a circumstance to be attributed to the immense number of fires which are constantly burning in those places. But, in common with most other persons, he of course doubted the practicability of producing rain by artificial means.

MERCANTILE BIOGRAPHY.

Art. XI.—NOTICE OF JOHN LANGDON.

The circumstances attending the early settlement of Massachusetts and New Hampshire, though generally supposed to be similar, were in some respects widely different. The planters of the old bay state left their native country, for the sake of enjoying here a degree of freedom in religion, of which they were deprived in the land of their fathers. The settlers of Piscataqua, were actuated by a very different purpose. The pursuit of gain was uppermost in their thoughts, and they embarked at once in the fisheries and trade, which they followed with success, until many of the first settlers became men of opulence in the new country. The great importance of the fisheries, seems not to have escaped the attention of Captain Smith, the discoverer of New Hampshire; for in his account of New England, he thus addresses his countrymen: "Therefore, honorable and worthy countrymen, let not the meanness of the word *fish* distaste you, for it will afford you as good gold as the mines of Potosi and Guiana, with less hazard and change, and more certainty and facility."

A reverend divine, in 1690, was preaching in Portsmouth, on the depravity of the times, and said: "You have forsaken the pious habits of your forefathers, who left the ease and comfort which they possessed in their native land, and came to this howling wilderness to enjoy without molestation, the exercise of their pure principles of religion." One of the congregation immediately rose, and interrupted him, thus: "Sir, you entirely mistake the matter; our ancestors did not come here on account of their religion, *but to fish and trade.*" A better illustration of the pursuits of the early settlers of New Hampshire, perhaps, it would be difficult to give. The people of Portsmouth, wealthy and enterprising as they are, have followed the advice of Captain Smith, and have never suffered "the word *fish* to distaste them," but have made it indeed "a mine of gold" to that ancient and flourishing town.

Among the citizens of New Hampshire, educated as merchants, who have risen to public distinction, no one, perhaps, occupied a wider space than John Langdon, of Portsmouth. He was born in 1740, and received his early education in the celebrated grammar school of Major Samuel Hale.

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The father of young Langdon, who was a thrifty farmer, intended his son should engage in the same occupation; but the latter, looking upon commerce as the grand highway to wealth, set his heart upon becoming a merchant, and accordingly made the necessary preparations to enter a counting-house.

One of the most extensive and successful mercantile houses at that time in Portsmouth, was that of Daniel Rindge, a counsellor under the provincial government, and to him young Langdon made application and was admitted to his counting-house, and soon became thoroughly versed in commercial transactions. After completing his apprenticeship with Rindge, he made several successful and very profitable trading voyages, with the view of ultimately establishing a commercial house of his own, in his native town. But the dark clouds that preceded the Revolution, began to skirt the horizon, and his mind was suddenly turned in a new direction. Naturally of a bold and fearless disposition, he entered at once into the feeling of the colonists; and, possessing in a remarkable degree the power to win over multitudes, he became the acknowledged leader of the "sons of liberty" in that little province, as much so as Samuel Adams and John Hancock, in Massachusetts.

Langdon was a leader exactly suited to the crisis. He took a conspicuous and active part in the struggle, and soon became obnoxious to the government and many of the loyal citizens, who feared the total annihilation of their trade, and looked upon disloyalty as a crime of the deepest dye. In the fall of 1774, after it had become apparent that the crisis must come, Langdon gathered around him a band of choice spirits, and together they proceeded in silence to the king's fort at New Castle, seized upon all the powder and military stores, and removed their booty to a place of concealment, whence it could be called into use in case of emergency. This bold act produced at once an intense excitement. Gov. Wentworth stormed, and issued proclamations, but not a voice uttered, or a thought whispered the secret. This was in December, four months before the battle of Lexington.

In the spring of the year 1775, John Langdon was chosen a delegate to Congress, and attended the session which commenced in May, at Philadelphia. In January, 1776, he was re-appointed a delegate, but was not present on the adoption of the Declaration of Independence. He commanded a company of cadets soon after the commencement of the war, and at the time of the surrender of the British army under Burgoyne, he was a volunteer at Bennington. He was also at Rhode Island with a detachment of his company, at the time the British troops had possession of the island, and when General Sullivan brought off the American troops. No man had a higher popularity with the people at this time, that John Langdon. He was elected repeatedly to the legislature, and was for several years speaker of the assembly.

When the news of the fall of Ticonderoga reached New Hampshire, the provincial legislature was in session at Exeter. It was at a period when the resources of the patriots were almost exhausted, the public credit was gone, and the members of the assembly were disheartened. The men of New Hampshire had already exerted themselves to the utmost for the good of the cause. John Langdon was speaker of the assembly at the time. He rose in his place, on the morning after the intelligence was received, and addressed the house to the following effect: "My friends and fellow-citizens—I have three thousand dollars in hard money; I will pledge my plate for three

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thousand more. I have seventy hogsheads of Tobago rum, which shall be sold for the most it will bring. These are at the service of the state. If we succeed in defending our firesides and homes, I may be remunerated; if we do not, the property will be of no value to me."

This noble proposal infused new life into the assembly: and in the course of a few days, by means of the funds advanced by John Langdon, a brigade was assembled, and on its march to the frontiers, and to victory, under the gallant Stark. During the whole of the revolutionary struggle, Langdon was ever active and constant in his labors for the good cause. A man of the people, in the emphatic sense of the term, he was always popular with the great mass, whose interests he made it a point to sustain on all occasions. Possessing a handsome address, and being open, obliging, and generous in his general conduct, he was calculated to gain the public esteem, and was among the few who were fortunate enough to retain it through life. He was honored with the highest offices the people could bestow. He was twice president of the state, under its first constitution; was a member of the convention which formed the federal constitution; was twelve years senator in congress, and subsequently, for six years governor of the state. In 1811, he retired from public life, although urgently pressed to accept the nomination of the vice-presidency, an office to which he might have been elected, had he not preferred the quiet and repose of private life. In the enjoyment of domestic relations, in his family, and a wide circle of friends, he chose to pass the evening of his days, remote from the cares and bustle of public life. He was religious, without being obnoxious to the charge of bigotry—and was liberal of his ample means, for charitable and benevolent purposes. He died at Portsmouth, in September, 1819, universally lamented by a people, in whose service he had spent the greater portion of his active life.

MERCANTILE LITERATURE.

COMMERCE AND LITERATURE.

Anniversary Poem delivered before the Mercantile Library Association of Boston. By James T. Fields.

An opinion very generally prevails among the mercantile classes of the present day, that commerce and literature are at war with each other; that he who is engaged in the pursuit of the one must entirely abandon the pursuit of the other. We say that this opinion is general; the time has been, nor is it far distant, when it was almost universal; but we think more liberal views and feelings upon this subject are fast growing upon the public mind, and, to the end that we may encourage them, these few prefatory remarks are made. To cite instances in proof that a love of letters and a love of trade may happily exist in unison, it is unnecessary to go back to the glorious days of Venice and Florence, when commerce, literature, and the arts, went hand in hand together; we could mention the names of hundreds of the present era, who have been alike successful in the field of letters and the field of commerce.

It is a trite remark, and one which meets us at every turn, that the present is a practical matter-of-fact age, mainly characterized by selfish indulgences and selfish pursuits. In this there is doubtless much truth, but there is much that is noble in the spirit of the age; nor can we believe that all delight in literature and the arts is gone, when we see so many true poets, painters, and sculptors, alive in the world; and we will not doubt but the strong current of public taste will yet set in its proper channel, and that the people will see and feel, that, although public virtue is the chief excellence in a nation, nothing but genius can perpetuate it, and give to the future the lessons and glory of the present.

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It is not our intention to examine the poem before us by the laws of criticism; it is evidently from the pen of a youthful writer, exhibiting considerable ability, with a want of a thorough knowledge of the laws of versification, and maturity of judgment; but we had rather encourage than depress the laudable efforts in literature of that respectable and important class of young gentlemen — merchants' clerks — to which we believe the author belongs. The following is the opening of the poem:

"When daylight fades, and o'er the silent deep
Heaven's sentry-stars their wonted vigils keep,
When night's cold dews o'er listless nature steal,
Why stands yon helmsman at the lonely wheel?

"When the fond wife, with all a mother's care,
Kneels down to hear her infant's matin prayer,
What tempts their guardian from his home to stray,
And wander far from that dear group away?
Say, what charmed spirit in the restless wave
Allures him forth its troubled path to brave?

"Unmask, bold Traffic! thou art weaving now
Thy golden fancies round the seaman's brow;
Thou hast at will the magic power to guide
His heart from home, and child, and cherished bride;
Thou hast a spell he may not rudely break,
That fires his soul and bids each pulse awake,
Nerves every sinew when the whirlwinds fly
In thundering combat through the riven sky;
And as faint hope with storm-rent flag sinks down,
Where raging gulfs her feeble whisperings drown,
Thy charm still broods above the foundering wreck,
And smiles triumphant o'er the sea-washed deck.

"We are its votaries, brothers; and we come,
Like weary children to a common home,
To steal a moment from its busy strife,
And breathe awhile amid the flowers of life,
Pausing together, still perchance to find
The joys which happier hours have left behind.

"And as some actor, at the prompter's ring,
Follows with trembling gait the drama's king,
And, while that master-spirit lights the stage
With all the splendor of a golden age,
Crosses the footlights with unnoticed stir,
To clasp a bracelet or unloose a spur, —
So I, a lisper, at this festal time
Have come to greet you in untutored rhyme."

In our next extract Halleck and Sprague are alluded to; the former, we believe, is no longer

"Busy in the cotton trade
And sugar line,"

but is cashier for that distinguished millionaire, John Jacob Astor.

"Oh, not unblest the merchant's daily toil,
Nor wasted all his thoughts and midnight oil.
Lo! where the bard of Alnwick Castle pores
O'er traffic's page, anon aloft he soars,
Nobly obedient to the muse's call,
And leads the van, most honored of them all.
And he who sweetly tunes the lyric strings,
Whose heavenward strains are borne on gentler wings;
In yonder street his earnest eye behold,
Turned from Parnassus to his piles of gold;

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Can his known prudence in these times assuage
The fears and scruples of a *paper age?*
Does he in banking as in verse excel?
Let financiers and calm directors tell!"

The following tribute is paid to that distinguished navigator and mathematician, Nathaniel Bowditch:

"And shall we leave unsung his honored name
Whose memory gilds his country's rising fame?
Shall not one strain in grateful homage rise
To wreathe his tomb who read yon vaulted skies?
Shall we forget this joyous eve to gaze
On that far pathway, lit with wisdom's rays?
Bright guide to commerce! though, alas, no more
Thy buoyant footsteps mark earth's narrow shore,
Though not for thee yon glistening pleiads burn,
Though not for thee heaven's wheeling orbs return,
Though from this spot no longer looks thine eye
As once to scan the countless worlds on high,—
In every age, through every sea and clime,
The name of Bowditch triumphs over time."

With the following extract, descriptive of a speculator's visit to his "Maine lands," we must conclude:

"Mark now the fall! Before the season's late,
Our wealthy lord must visit his estate;
And as his jaunt will raise some small alarms
Among the tenants of th' adjoining farms,
He takes the statutes of the state of Maine,
His new brown coat, his golden-headed cane;
Kisses his children, bids his wife adieu,
And ere he knows it, half his journey's through.
With map unrolled, he leaves the village inn,
Looking like Fusbos, when he conquers Finn;
Meets on his way some tiller of the ground,
Perhaps his own — who knows — he's hale and sound;
The great man stops, the yeoman rolls his quid,
Nor doffs his beaver as the landlord did;
'Are you employed, sir, on the John Smith farm?'
Our shopman asks, his anger waxing warm;
'They say John Smith owns yonder swamp down there,'
Replies the ploughman, straightening out his hair,
'But as to farming, it is very clear,
He'll find more black snakes than potatoes here.'

"Oh, short-lived bliss! the shopman looks around,
And finds his farm a tract of barren ground;
His forest trees to dwarfish shrubs decline,
His turrets vanish, nor can he divine
With what intent a railroad could be made
To such a spot, where neither lawn nor glade,
Nor aught inviting to the eye of taste,
Relieves the dullness of the steril waste.

"The bubble's burst! the dupe returns in haste,
Makes a small entry in his dusty Waste,
Ere yet the rumbling of the mail has ceased,
'Profit and loss to cities lying east;'
And he who revelled on uncounted means,
Will sell his township for a mess of greens."

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FOOT'S ARGUMENT IN FAVOR OF THE GENERAL BANKING LAW.

We have received a pamphlet, containing an argument in favor of the constitutionality of the General Banking Law of this state, delivered before the Supreme Court, at the July term, 1839, by Samuel A. Foot, Esq., and recently published, which embodies much talent, and evinces deep research and profound legal knowledge.

The subject which is here so learnedly discussed, imperatively called for a display of the highest order of talent, as well on account of the important pecuniary interests involved, as from the disastrous results, which would inevitably flow from the adjudicated illegality of a measure, which has already become so identified with the existence of our credit at home and abroad.

The preliminary remarks of the learned author, are characterized by soundness and elegance; illustrating in a forcible manner, the great inconvenience and injury which must arise, in even doubting the constitutionality of the principles upon which our banks, under this law, are based; and in adverting to the possibility of their being declared a violation of the constitution. The immense amount of losses which would then follow, the litigation which would ensue, and the financial derangement and commercial prostration necessarily resulting, were vividly presented, and eloquently urged.

Connected with the subject of this argument, the natural and constitutional right of every citizen to exercise the privilege of free banking is ably considered and clearly established; and a history of the restraints imposed by law upon private banking is given, and their tendency and operation examined.

The ground upon which the constitutionality of this law was questioned, being that the associations formed under it were corporations, and that it required two thirds of the legislature to concur in their creation; it became necessary in the course of this argument, to show in what the legal and essential requisites of a corporation consisted. In elucidating this portion of his argument the author evinces a clearness of arangement, an originality of thought, and a familiarity with legal principles, which mark the finished and well-read lawyer.

In examining this branch of his subject, judicial decisions which are applicable swell the authority which the strength of his reasoning affords. The rights, franchises, and privileges of corporations, as they existed at common law, are clearly pointed out, and the various alterations, and modifications, introduced by statutory provisions, are ably considered.

A history of the passage of this law through our legislature, is presented by the author, in support of his argument. The objections which were then made, the modifications it underwent, and the care which was bestowed in framing its provisions, are urged, to show that every constitutional objection was intended to be met and obviated previous to its final passage.

The importance of the principles contained in this argument, with reference to the subject to which they are applied, and the necessity of their being understood, and rightly appreciated by the merchant and man of business, to whom they are of peculiar interest, form a sufficient recommendation for its perusal.

The creation and operation of banking associations, organized under the provisions of this act, form a new and distinct feature in the financial history of this country, and open a still wider field for commercial enterprise; and it is of the deepest importance to all who are desirous of embracing the opportunities, which are afforded by this law, for the profitable investment of capital, to obtain a thorough knowledge of its legal construction, and effect. So short a time has elapsed, since the passage of this act, that few judicial decisions have been made, calculated to settle the rights, and determine the liabilities of associations, erected under its provisions; and the final decision of the case in which this argument was delivered will settle all questions as to its constitutionality.

So far as the state of the pleadings would permit, the Supreme Court, at the October term, decided the points discussed in this argument.

The court expressed the opinions, *First*, that associations formed under the General Banking law are corporations; *Second*, that the assent of two thirds of all the members elected to each branch of the legislature was necessary to the passing of the act; and, *Third*, that if passed by a two third vote, the act is constitutional.

On the last point, Mr. Justice Bronson was not prepared to concur, but on the other questions, the opinion of the whole court was expressed.

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COMMERCIAL STATISTICS.

IMPORTS AND EXPORTS OF SPECIE.

A TABLE, *compiled from public documents published by Congress, by S. Hazard, Esq. of the United States Statistical Register, and embracing only the Specie which comes under the notice of the Custom House, and does not probably include that which is in the personal possession of Emigrants arriving in or departing from the United States.*

Years.	IMPORTS.		*Total Imports.*	EXPORTS.		*Total Exports.*
	COIN.			COIN.		
	Gold.	*Silver.*		*Gold.*	*Silver.*	
1821	.....	.....	8,064,890	.....	10,477,969	10,478,059
1822	.....	.....	3,369,846	.....	10,781,392	10,810,180
1823	.....	.....	5,097,896	.....	6,371,187	6,372,987
1824	34,954	8,013,489	8,379,835	.....	7,014,552	7,014,552
1825	378,257	5,252,661	6,150,765	315,672	8,470,534	8,797,055
1826	562,546	5,740,139	6,880,966	434,555	3,623,385	4,098,678
1827	1,019,399	6,618,077	8,151,130	820,304	6,139,155	8,014,880
1828	738,570	6,216,458	7,489,741	928,984	6,565,804	8,243,476
1829	706,038	5,749,839	7,403,612	935,102	3,136,941	4,924,020
1830	705,879	6,285,475	8,155,954	474,876	731,955	2,178,773
1831	765,838	5,687,633	7,305,945	899,365	5,831,830	9,014,931
1832	614,665	4,454,107	5,907,504	630,850	3,351,417	5,656,340
1833	563,585	6,160,676	7,070,368	495,890	1,722,196	2,611,701
1834	3,472,507	13,631,043	17,911,632	276,909	1,383,987	2,076,758
1835	1,669,739	10,040,968	13,131,447	625,679	5,122,495	6,477,775
1836	5,318,725	5,850,669	13,400,881	275,940	3,624,186	4,324,336
1837	1,895,265	7,490,309	10,516,414	1,828,653	2,756,914	5,976,249
1838	11,444,189	5,679,390	17,747,117	740,263	2,292,342	3,508,046
	29,890,146	102,870,933	162,870,933	9,682,532	89,398,781	110,578,796

In the above table, the amount of Bullion imported and exported is omitted. The aggregate for eighteen years is as follows:

Imported—Gold	$4,611,740
Silver,	8,230,501
Total	$12,842,241

Exported—Gold	$269,928
Silver	872,351
Total	$1,142,279

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COMMERCE OF MAINE, FROM 1820 TO 1838.

Years.	EXPORTS.			Imports.	Duties on foreign merchandise imported.	Drawbacks on foreign merchandise.	Registered tonnage.
	Domestic.	Foreign.	Total.				
1820	1,082,568	25,463	1,108,031	....	402,994	24,963	67,274.22
1821	993,923	46,925	1,040,848	980,294	363,846	43,229	60,835 03
1822	1,013,873	22,769	1,036,642	943,775	347,516	35,979	60,860 84
1823	865,046	30,455	895,501	891,644	356,956	37,394	63,440 39
1824	870,871	29,324	900,195	768,443	354,095	27,004	71,318 19
1825	964,664	66,463	1,031.127	1,169,940	446,800	57,277	80,468 64
1826	1,001,875	50,700	1,052,575	1,245,235	384,637	22,831	86,555 64
1827	1,033,035	37,099	1,070,134	1,333,390	402,842	29,979	84,347 86
1828	1,003,642	15,875	1,019,517	1,246,809	449,178	32,413	98,749 41
1829	729,106	8,726	737,832	742,781	367,215	23,556	84,319 75
1830	643,435	27,087	670,522	572,666	342,260	12,323	70,585 47
1831	799,748	5,825	805,573	941,407	346,647	15,499	69,753 55
1832	907,286	74,157	981,443	1,123,326	359,486	21,906	84,486 55
1833	989,187	30,644	1,019,831	1,380,308	336,381	19,613	88,118 32
1834	815,277	18,890	834,167	1,060,121	244,518	8,794	105,443 49
1835	1,041,951	14,416	1,059,367	883,389	239,730	1,386	101,912 93
1836	836,074	14,912	850,986	930,086	172,154	678	118,605 68*
1837	947,276	8,676	955,952	801,404	....	....	90,750 04*
1838	915,076	20,456	935,532	899,142	....	....	96,382 76*

Maine became a state in 1820. Prior to that year, its commercial statistics are embraced in the Table of Massachusetts, published on p. 278.

COMMERCE OF ALABAMA, FROM 1818 TO 1838.

Years.	EXPORTS.			Imports.	Duties on foreign merchandise imported.	Drawbacks on foreign merchandise.	Registered tonnage.
	Domestic.	Foreign.	Total.				
1818	84,764	12,093	96,857	....	23,395	....	....
1819	50,456	450	50,906	....	7,233	....	....
1820	96,636	....	96,636	....	15,579	....	2,538 87
1821	108,960	....	108,960	....	16,398	385	1,088 68
1822	209,748	....	209,748	36,421	38,073	....	619 60
1823	200,387	....	200,387	125,770	34,416	169	140 68
1824	457,725	3,002	460,727	91,604	44,710	236	829 62
1825	691,897	738	692,635	113,411	57,075	232	821 57
1826	1,518,701	8,411	1,527,112	179,554	60,265	6,992	1,494 18
1827	1,330,770	45,594	1,376,364	201,909	101,112	55	1,462 37
1828	1,174,737	7,822	1,182,559	171,909	93,172	13,364	3,526 07
1829	1,679,385	14,573	1,693,958	233,720	133,552	3,950	4,625 20
1830	2,291,825	3,129	2,294,594	144,823	90,732	2,560	1,585 79
1831	2,412,862	1,032	2,413,894	224,435	86,083	999	2,137 56
1832	2,733,554	2,833	2,736,387	107,787	57,166	414	2,330 83
1833	4,522,221	5,740	4,527,961	265,918	46,940	510	1,920 21
1834	5,664,047	6,750	5,670,797	395,361	57,493	1,053	4,180 61
1835	7,572,128	2,564	7,574,692	525,955	92,865	....	4,556 34
1836	11,183,788	378	11,184,166	651,618	138,840	913	1,741 16*
1837	9,652,910	18,491	9,671,401	609,385	....	....	2,733 69*
1838	9 ,688,049	195	9,688,244	524,548	....	....	8,203 22*

This state receives its supplies of foreign goods principally from the northern states, which will account for the small amount of foreign imports by sea.

* Ending September 30. [*From Hazard's Com. & Stat. Register.*

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COMPARATIVE STATEMENT OF EXPORTS OF COTTON FROM THE UNITED STATES.

EXPORTS FROM	1838–9.			1837–8.		
	Great Britain.	*France.*	*Other Ports.*	*Great Britain.*	*France.*	*Other Ports.*
DATE.						
New Orleans, Sept. 30	309,768	122,452	10,486	481,501	127,828	22,108
Natchez, Sept. 30.....	2.009	....	....	15,246	....	....
Mobile, Sept. 30.....	125,635	22,304	2,008	158,029	64,123	5,908
Savannah & Darien, Sept. 30	97,853	10,480	2,234	197,971	27,024	1,192
Charleston and Georgetown, Sept. 30.....	119,486	30,665	8,109	158,212	55,685	32,570
Virginia, Sept. 30.....	6,648	98	1,054	12,205	4,136	3,097
New York, Sept. 30.....	125,674	53,123	9,213	97,005	42,929	22,016
Other ports, Sept. 30.....	16,356	3,121	924	60,412	2,755	2,151
Total.....	800,429	242,253	34,028	1,180,581	321,480	89,042

COMMERCE WITH BRAZIL — RIO JANEIRO.

The commerce of the United States with Brazil is important; nearly one third of the coffee, and a large portion of the sugar and hides of foreign importations, is from Brazil. Our exports of flour, provisions, and the various articles of domestic manufactures, amounted last year, closing with 30th Sept., to $2,094,957. To show the importance of our commerce, we subjoin the imports and exports of a few leading articles for the last five years, and under the appropriate head, "*Commercial Treaties and Regulations*," will be found an article from a late Rio circular, which will, we think, be found useful to some of our commercial men who have a direct intercourse with the Brazilian provinces, and particularly with Rio Janeiro.

The *importations* into the United States from Brazil for the five preceding years, ending 30th Sept., were as follows:

Year.	*Am. Vessels.*	*For. Vessels.*	*Total Imp.*
1834.....	$4,547,119	$182,850	4,729,969
1835.....	5,547 949	26,517	5,574,466
1836.....	6,553,186	657,004	7,210,190
1837.....	3,940,059	1,051,924	4,991,983
1838.....	3,116,843	74,395	3,191,238

Of the above, besides the value of the hides imported each year, the following shows the value of the coffee for each consecutive year, which was $2,819,038; $3,602,000; $4,623,385; $3,254,965; $2,323,205; and of the brown sugar in like manner: $356,-865; $395,083; $1,579,596; $199,387; $429,853.

Year.	*Coffee.*	*Brown Sugar.*	*Hides in val.*
1834.....	*lbs.* 26,571,368	*lbs.* 6,816,156	$1,093,131
1835.....	35,774,876	7,969,883	1,150,691
1836.....	46,840,219	27,849,654	679,634
1837.....	33,906,246	3,287,401	947,493
1838.....	27,411,986	7,885,067	124,730

Exported from the United States to Brazil within the above specified time, of foreign and domestic articles, the following amount:

Year.	*For. Export.*	*Dom. Export.*	*Total Export.*
1834.....	$473,254	$1,586,097	$2,059,351
1835.....	797,865	1,810,791	2,608,656
1836.....	1,362,195	1,732,741	3,094,936
1837.....	441,992	1,301,217	1,743,209
1838.....	562,237	2,094,957	2,657,194

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Of the domestic exports noticed above, the following will show how far flour and bread, cotton manufactures, and spirits from grain, contributed to make up the list, to say nothing of provisions, oil, sperm candles, household furniture, and other manufactures of the United States.

Year.	*Flour and Bread.*	*Cotton Man.*	*Spirits.*
1834	$894,440	$234,721	$19,986
1835	991,269	266,916	16,640
1836	884,126	200,994	6,058
1837	618,680	303,102	8,302
1838	1,086,033	536,513	12,641

The exports from Rio Janeiro for the month of June last, compared with those in the same period of the two preceding years, were as follow:

	Coffee, bags and barrels.	*Sugar,* in cases.	*Hides,* No. of.
In 1839	52,188	1,544	17,756
1838	60,603	1,585	6,241
1837	42,234	2,438	22,577

The export of sugar during the first six months of

1839 was	9,607	cases.
1838 "	10,439	"
1837 "	6,519	"

The exports from Santos, 1838–1839, were 400,000 arrobas, against 294,000 in 1837–1838.

The stock of hides on hand at Rio Janeiro, at the close of June last, was about 20,000, nearly all heavy weights.

Export in the first six months of 1839	92,322	hides.
Do. do. 1838	105,366	"
Do. do. 1837	67,446	"

EXPORTS OF SILK FROM GEORGIA, FROM 1755 TO 1773.

In Bernard Roman's History of Florida, we find a statement of the exports from Georgia for eighteen years. One of the articles is raw silk. A considerable interest is felt in the production of this article, and as some doubts have been expressed as to the ultimate success of the various projects now in operation, it may be useful to show, occasionally, what has been heretofore accomplished. With this view, the following statement is presented:

1755–6	438 lbs.
1757	268
1758	358
1759	358
1760	734
1761	558
1762	332
1763	380
1764	953
1765	898
1766	711
1767	1084
1768	617
1769	541
1770	332
1771	290
1772	438
1773	485
	9829 lbs.

Being an average, in eighteen years, of 546 lbs. per annum.

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COMPARATIVE PRICE OF WHEAT.

A TABLE, *showing the price of Wheat, as settled at the Patroon's office, on the first of January, during the several years there mentioned, as published in the Troy Daily Whig, edited by James M. Stevenson, Esq.*

January 1st, 1825	1 bushel of wheat, 8s	4 fowls, 4s	1 day's services,	16s
.. 1826	1 .. .. 7s	4 .. 4s	1	16s
.. 1827	1 .. .. 8s	4 .. 4s	1	16s
.. 1828	1 .. .. 8s	4 .. 4s	1	16s
.. 1829	1 .. .. 14s	4 .. 4s	1	16s
.. 1830	1 .. .. 8s	4 .. 4s	1	16s
.. 1831	1 .. .. 10s	4 .. 4s	1	16s
.. 1832	1 .. .. 10s	4 .. 4s	1	16s
.. 1833	1 .. .. 10s	4 .. 4s	1	16s
.. 1834	1 .. .. 8s	4 .. 4s	1	16s
.. 1835	1 .. .. 8s	4 .. 4s	1	16s
.. 1836	1 .. .. 12s	4 .. 4s	1	16s
.. 1837	1 .. .. 18s	4 .. 6s	1	16s
.. 1838	1 .. .. 13s	4 .. 6s	1	16s
.. 1839	1 .. .. 14s	4 .. 6s	1	16s

COMMERCIAL REGULATIONS AND TREATIES.

IMPORT AND EXPORT DUTIES, PORT CHARGES, ETC., IN BRAZIL.

A direct trade with foreign countries is only permitted in such ports of the empire of Brazil, where there are custom-houses established; they are the following: Para, Maranham, Parnahiba, Fortaleza (*Ceara*), Aracaty (*Ceara*), Rio Grande North, Parahiba, Pernambuco, Maceyo (*Alagoas*), Larangeiras (*Sergipe*), Bahia, Espirito Santo, Rio de Janeiro, Santos, Paranaqua, St. Catharine, Rio Grande, Sao Borja (*R. G. south*), Porto Alegre, (*R. G. S.*)

IMPORT DUTIES.—All foreign merchandise is subject to an import duty of 15 per cent., except tea, which pays 30 per cent., and gunpowder, as also wines and spirituous liquors, (the production of countries which have no commercial treaty with Brazil) paying 50 per cent., on valuations fixed by a tariff, (which is the same throughout the empire) and articles not specified in such tariff, pay duty on a value declared by the importer, the custom-house officers having the right to take the goods at such value, and 10 per cent., thereon. The countries having treaties with Brazil, and the dates when they expire, according to the intimation sent from the foreign office to the custom-house, are as follows: Prussia, 25th November, 1839; Hansetowns, do; Denmark, 7th March, 1840: United States of North America, 17th November, 1841; Holland, and Belgium, 18th April, 1841; Great Britain, 15th November, 1842. Since the 1st of July, 1839, wines, spirituous liquors, and flour, are subject to a special weekly tariff. A committee has been appointed by the Government to revise the general tariff; considerable progress has been already made in such revisions; when completed and determined to be put in force, we shall publish the particulars in our pages.

Besides the aforementioned duties, goods (excepting linen cambrics, lace of thread or silk, manufactures of gold or silver, and precious stones, which pay only 1½ per cent *expediente*,) are subject to a charge of 5 per cent. on the like valuations for clearance charges and storage rent, (*expediente* and *armazenagem*) dry goods are, however, permitted to remain in the custom-house warehouses without any further additional charge, for a period not exceeding four months; after the expiration of which they incur a charge of ¼ per cent. per month; articles that come under the denomination of Estive-goods, are allowed to remain for the space of one month, and then pay ¼ per cent. per month storage rent.

Machinery, not previously in use at the port where imported is duty free, but subject to the charge of 5 per cent. for *expediente* and *armazenagem*.

N. B. Wines and spirituous liquors pay further 1,500 rs. per pipe of 188 medidas to the *misericordia* hospital, and 200 rs. per pipe of any size, town dues.

EXPORTATION.—Prior to the first of July, coffee from the serra-abaixo (low country) paid 11 per cent., and from the serra-acima (upper country) 10 per cent. if of the province of Rio Janeiro; but if from any other, on presentation of the requisite certificate

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of origin, only 7 per cent. However, by the Provincial Budget of the 10th of June, the distinction between from the serra-abaixo and serra-acima is done away with, both paying alike, namely, 11 per cent.

Tobacco pays 12 per cent. if from the province of St. Pauls; but if from that of Minas, only 7 per cent. Maize, rice, and pulse, if of the province of Rio Janeiro, pay 12 per cent, if any other, 7 per cent. Indigo, tapioca, and any articles not otherwise specified, pay 7 per cent. Sugar pays since 1st July, 2 per cent. additional provincial duty, which is likely to fall on the exporter.

The above duties are levied upon valuations fixed by a weekly tariff.

Precious metals in coin or bars, and gold dust, whether foreign or national, are subject to an export duty of 2 per cent. ad valorem.

Custom-house tares and allowances.—On goods imported in packages and cleared by weight, the real tares are allowed; on liquors there is allowed for leakage and breakage, in glass bottles 5 per cent., stone do. 3 per cent., and in casks or demijohns 2 per cent., and on glass and earthen-ware 5 per cent.

Re-Exportation and Transhipment.—Goods re-exported or transhipped pay 2 per cent., and when for the coast of Africa, 13 per cent. additional.

Franquia.—Vessels may enter in Franquia, 1st, when bringing no cargo for the port; 2d, when bringing only part cargo for the port, and the remainder for another destination; 3d, when putting in to learn the state of the market, or for refreshments or repairs.

Manifests.—Every commander of a vessel is required to bring a very exact manifest of her cargo in duplicate, signed by the Brazilian Consul, resident at the loading port. At ports where no such Consul resides, the said manifest must be signed by two Brazilian merchants, or if there be none such, then by two native merchants, the signatures in either case being certified by the competent local authority. Non-compliance with this regulation or inaccuracies in the manifests, as also irregularities in discharging or loading, subject vessels to heavy fines.

Port Charges.—All foreign vessels, as also national vessels trading with foreign parts, pay 30 reis per diem anchorage, for each ton of Brazilian admeasurement, (which proves generally about the true burthen,) calculated for 50 days from the date of each entry into the port, but all vessels are exempt from this due that introduce 100 white colonists into any port of Brazil. The remaining port charges do not exceed from 30 to 40 milreas for each vessel, according to her size.

Pilotage.—There are no pilots for the port of Rio de Janeiro, nor are any necessary for entering that noble harbor, as there are no hidden dangers of any kind.

Sale of Vessels.—A duty of 5 per cent. ad valorem is payable upon the sale of all vessels, whether foreign or national, and of 15 per cent. upon foreign vessels being naturalized.

FREIGHTS.—QUANTITY OF GOODS TO COMPOSE A TON.

Extract from the By-laws of the New York Chamber of Commerce.

Resolved, That when vessels are freighted by the ton, and no special agreement is made between the owner of the vessel and freighter of the goods, respecting the proportion of tonnage which each particular article shall be computed at, the following regulations shall be the standard of computation:

That the article, the bulk of which shall compose a ton, to equal *a ton* of heavy materials shall be in weight as follows: 1568 lbs. of coffee in casks, 1830 lbs. in bags; 1120 lbs. of cocoa in casks, 1307 lbs. in bags.

952 lbs. Pimento in casks, 1110 lbs. in bags.

Eight barrels of flour, of 196 lbs. each.

Six barrels of beef, pork, tallow, pickled fish, pitch, tar, and turpentine.

Twenty hundred weight of pig and bar iron, potashes, sugar, logwood, fustic, Nicaragua wood, and all heavy dye woods, rice, honey, copper ore, and all other heavy goods.

Sixteen hundred weight of coffee, cocoa, and dried codfish, in bulk, and twelve hundred weight of dried codfish in casks of any size.

Six hundred weight of ship bread in casks, seven hundred in bags, and eight hundred in bulk.

Two hundred gallons (wine measure) reckoning the full contents of the casks, of oil, wine, brandy, or any kind of liquors.

Twenty-two bushels of grain, peas, or beans, in casks, and thirty-six bushels, in bulk.

Thirty-six bushels of European salt.

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Thirty-one bushels of salt from the West Indies.

Twenty-nine bushels of sea-coal.

Forty feet (cubic measure) of mahogany, square timber, oak plank, pine, and other boards, beavers, furs, peltry, beeswax, cotton, wool, and bale goods of all kinds.

One hogshead of tobacco, and ten hundred weight of dry hides.

Eight hundred weight of China raw silk, ten hundred weight net bohea, and eight hundred green tea.

BILLS OF EXCHANGE.

By a revised law of the state of New York, the following damages on bills drawn or negotiated in this state, and protested for nonpayment, are allowed, viz.

Bills drawn on the states of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New Jersey, Pennsylvania, Ohio, Delaware, Maryland, Virginia, or District of Columbia, *three per cent.*

North Carolina, South Carolina, Georgia, Kentucky, or Tennessee, *five per cent.*

Any other state or territory of the United States, or any other place on or adjacent to this continent, and north of the equator, or any British or other foreign possessions in the West Indies, or elsewhere on the western Atlantic ocean, or any port or place in Europe, *ten per cent.*

§ 19. Such damages shall be in lieu of interest, charges of protest, and all other charges incurred previous to, and at the time of giving notice of nonpayment, but the holder of such bill shall be entitled to demand and recover lawful interest upon the aggregate amount of the principal sum specified in such bill, and of the damages thereon, from the time at which notice of protest for nonpayment shall have been given, and payment of such principal sum shall have been demanded.

§ 20. If the contents of such bill be expressed in the money of account of the United States, the amount due thereon and of the damages herein allowed for the nonpayment thereof, shall be ascertained and determined without any reference to the rate of exchange existing between this state and the place on which such bill shall have been drawn, at the time of the demand of payment or of notice of nonpayment.

§ 21. If the contents of such bill be expressed in the money of account or currency of any foreign country, then the amount due, exclusive of the damages payable thereof, shall be ascertained and determined by the rate of exchange or the value of such foreign currency, at the time of the demand of payment.

TO MARINERS.

Lark Rock—Bay of Honduras.—A rock with only five feet water on it, hitherto unknown, was recently discovered by H. M. Surveying vessel Lark, Lieut. Thos. Smith, in Placentia Narrows, the channel used by all merchant vessels proceeding from Belize to the Gulf of Honduras, or the Southern rivers of British Yucatan.

Its position is one mile from the reef which forms the east side of the channel, one mile and one third N. ½ E. (by compass) from the sand bar when in one with the Eastern part of Scipio bay, and 4½ miles E. ¼ S. from False-point Placentia.

Vessels with a fair wind usually pass far to the westward of it, but when beating against a head wind care should be taken to avoid it, as it is not larger than a ship, and has 10 and 11 fathoms close around it.

EAST INDIA COMPANY.

A return has been printed by order of the House of Commons of the territorial revenues and disbursements of the East India Company for the years 1835, 1836, and 1837, with an estimate of both for 1838. The results, which are all the public care about, are of a very favorable kind. In the year 1835, which was that succeeding the abrogation of their charter as a trading company, and in which the greater part of their commercial assets was realized, there existed a surplus of income over expenditure of 8,000,000*l.*, after deducting a sum of 2,000,000*l.*, set apart for the formation of a guaranty fund for the proprietors of East India Stock. In 1836 the surplus was 2,000,000*l.*; in 1837, 2,470,000*l.*; and for 1838 the estimate of surplus is 1,300,000*l.* The public debt of the East India Company, at the several presidencies, on the 1st of April, 1837, is stated at 30,400,000*l.*; and the interest on it at 1,440,000*l.* The rate of interest paid for the various loans varies from 4 to 10 per cent., but the average is about 4¾ per cent.

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BANK STATISTICS.

RATIO OF SPECIE IN THE BANKS OF MASSACHUSETTS.

A Table showing the Number of Banks, Capital, Ratio of Specie to Circulation and Deposites, in each Year, from June, 1803, to October, 1838, compiled from the Bank Returns in the Secretary of the State's Office, by J. S. Sleeper, Esq., editor of the Mercantile Journal, Boston.

DATES.		*Number of Banks.*	*Ratio of Specie to the Circulation.*	*Ratio of Specie to the circulation and deposites.*
Months.	*Years.*			
June,	1803	7	$1 to 1,44	$1 to 2,85
	1804	13	1 to 1,73	1 to 2,88
	1805	16	1 to 1,83	1 to 3,03
	1806	15	1 to 1,68	1 to 3,80
January,	1807	16	1 to 2,07	1 to 4,47
	1808	16	1 to 1,02	1 to 3,53
June,	1809	16	1 to 1,62	1 to 4,44
	1810	15	1 to 1,55	1 to 3 38
	1811	15	1 to 1,55	1 to 3,79
	1812	16	1 to 0,58	1 to 1,87
	1813	16	1 to 0,37	1 to 1,57
	1814	21	1 to 1,42	1 to 1,74
	1815	25	1 to 0,79	1 to 1,96
	1816	25	1 to 1,69	1 to 3,38
	1817	26	1 to 1,70	1 to 3,81
	1818	27	1 to 2,18	1 to 4,94
	1819	28	1 to 2,05	1 to 4,20
	1820	28	1 to 2,04	1 to 4,52
	1821	28	1 to 0,98	1 to 3,10
	1822	33	1 to 3,31	1 to 6,72
	1823	34	1 to 3,02	1 to 6,04
	1824	37	1 to 1,96	1 to 4,68
	1825	41	1 to 5,76	1 to 8,29
May,	1826	55	1 to 4,83	1 to 6,82
	1827	60	1 to 4,54	1 to 6,58
	1828	61	1 to 4,23	1 to 8,34
August,	1829	66	1 to 4,81	1 to 7,38
June,	1830	63	1 to 4,07	1 to 6,91
October,	1831	70	1 to 8,41	1 to 13,19
August,	1832	83	1 to 7,89	1 to 11,15
October,	1833	102	1 to 8,55	1 to 12,57
May,	1834	103	1 to 6,59	1 to 10,82
	1835	105	1 to 8,29	1 to 13,06
September,	1836	117	1 to 7,48	1 to 13,52
October,	1837	129	1 to 6,76	1 to 12.34
	1838	120	1 to 3,92	1 to 6,90

On the 10th of February, 1838, according to the returns of one hundred and twenty-four banks, the specie to the circulation was as 1 to 5,34, and to the circulation and deposites as 1 to 8,54 — a reduction from October, 1837, favorable to their immediate liabilities.

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In the following table is contained the average number of banks, the average ratio of specie to the circulation, and its average ratio to the circulation and deposites:

	No. of Banks.	*Aver. ratio of specie to circulation.*	*Aver. ratio of specie to circulation and deposites.*
In 10 years, from 1803 to 1812	14½	$1 to 1,30	$1 to 3,06
In 10 years, from 1813 to 1822	257-10	1 to 0,99	1 to 2,64
In 10 years, from 1823 to 1832	57	1 to 4,84	1 to 7,53
In 6 years, from 1833 to 1838	1122-3	1 to 6,46	1 to 10,94
In 5 years, from 1834 to 1838	1144-5	1 to 6,21	1 to 10,74
In 36 years, from 1803 to 1838	1457-9	1 to 2,60	1 to 4,89

RATIO OF SPECIE IN THE BANKS OF BOSTON.

DATES.		*No. of Banks*	*Capital.*	*Ratio of Specie to Circulation.*	*Ratio of Specie to Circulation and Deposites.*
Months.	*Years.*				
June,	1803	2	$1,600,000	$1 to 1,27	$1 to 3,37
..	1804	3	3,400,000	1 to 1,28	1 to 3,36
..	1805	3	3,400,000	1 to 0,76	1 to 2,8
..	1806	3	3,400,000	1 to 0,77	1 to 4,82
January,	1807	3	3,400,000	1 to 1,07	1 to 6,80
..	1808	3	3,800,000	1 to 0,41	1 to 3,60
June,	1809	3	3,800,000	1 to 1,61	1 to 5,50
..	1810	3	4,600,000	1 to 1,29	1 to 3,73
..	1811	3	4,600,000	1 to 1,27	1 to 4,71
..	1812	4	5,800,000	1 to 0,37	1 to 1,81
..	1813	4	7,000,000	1 to 0,30	1 to 1,49
..	1814	6	8,725,000	1 to 0,31	1 to 1,66
..	1815	6	9,100,000	1 to 0,69	1 to 2,07
..	1816	6	9,100,000	1 to 1,27	1 to 3,45
..	1817	6	6,800,000	1 to 1,18	1 to 4,08
..	1818	7	7,049,425	1 to 1,91	1 to 5,78
..	1819	7	7,350,000	1 to 1,44	1 to 4,22
..	1820	7	7,350,000	1 to 1,48	1 to 4,77
..	1821	7	6,550,000	1 to 0,58	1 to 2,58
..	1822	10	7,421,125	1 to 2,75	1 to 8,79
..	1823	10	8,050,000	1 to 2,68	1 to 7,55
..	1824	12	8,925,000	1 to 1,64	1 to 5,54
..	1825	14	10,300,000	1 to 7,02	1 to 10,53
May,	1826	15	11,050,000	1 to 5,35	1 to 7,59
..	1827	15	11,550,000	1 to 4,11	1 to 6,18
..	1828	16	12,345,005	1 to 6,79	1 to 8,59
August,	1829	17	12,900,000	1 to 3,13	1 to 5,58
June,	1830	17	12,350,000	1 to 2,38	1 to 4,79
October,	1831	20	13,600,000	1 to 5,99	1 to 10,80
August,	1832	22	15,150,000	1 to 5,13	1 to 8,07
October,	1833	25	16,401,250	1 to 4,30	1 to 8,09
May,	1834	26	17,150,000	1 to 3,34	1 to 7,52
..	1835	28	18,150,000	1 to 3,68	1 to 9,54
September,	1836	33	20,118,850	1 to 3,68	1 to 9,86
October,	1837	34	21,350,000	1 to 3,88	1 to 9,68
..	1838	28	18,450,000	1 to 2,00	1 to 4,96

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A TABLE, *containing the average number of Banks, the average Capital, the average ratio of Specie to the Circulation, and the average ratio to the Circulation and the Deposites.*

	No. of Banks.	*Aver. capital.*	*Aver. ratio of specie to circulation.*	*Aver. ratio of specie to circulation and deposites.*
10 years from 1803 to 1812...	3	$3,780,000	$1 to 0,81	$1 to 3,24
10 years from 1813 to 1822...	63-5	7,644,555	1 to 0,68	1 to 2,52
10 years from 1823 to 1832...	154-5	11,621,805	1 to 4,14	1 to 7,16
6 years from 1833 to 1838...	29	18,603,350	1 to 3,33	1 to 7,98
36 years from 1803 to 1838...	118-9	9,502,325	1 to 1,75	1 to 4,36

In October, 1837, the ratio of the specie to the circulation in the Boston banks, was as $1 to $3,88, and in one year it was increased over 48 per cent., so that in October, 1838, it was as $1 to $2, which is only 14 per cent. less than the average ratio of $1 to $1,75, from 1803 to 1836, according to the official returns for 36 years. At the present time, the ratio is about $1 to $1,42, being an increase of 28 per cent. during the past year, and is nearly 19 per cent. greater than the average ratio for the 36 years. These banks are now in a better condition in this respect than they have been since June, 1821.

In October, 1837, the ratio of specie to the circulation and deposites was as $1 to $9,68; and in one year it was increased nearly 49 per cent., so that in October, 1838, it was as $1 to $4,96; which is more favorable than it has been since 1821, except in 1830, and is hardly 14 per cent. less than the average ratio of $1 to $4,36, from 1803 to 1838, according to the above returns.

STATEMENT OF THE SITUATION OF THE BANKS IN NEW ORLEANS,
On the 21st of October, 1839.

BANKS.	CAPITAL.		*Deposites.*	*Circulation.*
	Nominal.	*Paid up.*		
1. Canal and Banking Co..	4,000,000	3,999,750 00	194,224 31	284,000 00
2. Carrolton R. R. & Bk'g..	3,000,000	1,949,350 00	75,351 78	278,205 00
3. Citizen's Bk of Louisiana	12,000,000	6,866,666 67	1,892,831 17	428,450 00
4. City Bank.....	2,000,000	2,000,000 00	631,164 34	526,770 00
5. Commercial Bank.....	3,000,000	3,000,000 00	254,193 61	239,620 00
6. Consolidated Association.	2,450,000	2,450,000 00	544,173 61	195,635 00
7. Exchange and Bk'g Co....	2,000,000	948,340 00	179,276 34	357,620 00
8. Gas Light and Bk'g Co ..	6,000,000	1,854,455 00	32,786 69	72,080 00
9. Improvement & Bk'g Co..	2,000,000	1,521,491 50	176,073 19	146,410 00
10. Bank of Louisiana.....	4,000,000	3,997,500 00	337,084 16	292,722 50
11. Louisiana State Bank.....	2,000,000	1,937,120 00	722,872 35	291,210 00
12. Mechanic & Trader's Bk..	2,000,000	1,998,390 00	84,903 21	178,475 00
13. Merchant's Bank.....	1,000,000	1,000,000 00	223,136 98	150,530 00
14. Bank of Orleans.....	500,000	424,700 00	52,786 20	184,725 00
15. Union Bank of Louisiana.	7,000,000	7,000,000 00	442,070 71	638,470 00
16. Atchafalaya Bank.....	2,000,000	788,945 00	72,302 52	129,710 00
Total.....	54,950,000	41,736,768 17	5,415,231 17	4,345,533 50

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Statement of the situation of the Banks in New Orleans— Continued.

	CAPITAL.		*Discounts & loans on real estate, and bills & notes, including capital of branches.*	*Liabilities—other than those expressed, bills payable, bonds, &c. and dividends unp'd.*	*Assets, other than those expressed, bills receivable, municipality notes, &c.*	*Capital gained, and profits undivided.*
	Local Bank Notes.	*Specie.*				
1	57,070 00	120,631 30	3,091,003 63	211,188 25	12,176 28	566,416 91
2	6,965 00	25,893 53	1,073,723 89	264,109 84	544,730 80	258,246 17
3	62,335 00	358,202 00	3,902,698 94	1,470,019 75	929,371 38	698,665 36
4	70,890 00	264,000 81	2,919,052 42	50,870 48	46,084 60	216,733 79
5	34,095 00	229,100 38	1,885,766 52	333,745 22	85,500 10	446,188 63
6	25,745 00	203,874 81	1,969,384 18	.....	268,949 07	521,963 52
7	129,555 00	14,065 74	802,888 92	117,928 76	101,656 01	78,857 26
8	4,905 00	25,055 73	2,556,919 65	2,032,754 47	1,083,955 77	208,616 22
9	12,465 00	47,169 69	406,589 36	382,425 45	295,305 75	154,834 85
10	33,015 00	441,906 28	4,565,142 95	126,319 64	78,080 79	893,448 35
11	37,241 50	333,464 88	2,376,975 16	10,208 80	164,943 90	123,856 64
12	34,125 00	56,081 37	2,097,550 69	1,500 00	25,540 01	344,794 63
13	204,297 76	402,463 36	1,935,548 23	110,000 00	221,560 99	115,813 69
14	17,456 00	44,107 82	488,370 45	16,253 51	224,774 60	195,683 61
15	32,770 00	234,299 10	5,930,211 97	.....	492,340 85	2,235,130 98
16	29,772 45	37,120 65	729,454 15	170,192 76	258,699 04	78,728 25
	782,702 71	2,847,497 95	36,731,281 11	5,297,516 93	4,833,669 94	7,117,978 86

Issue of the City Banks.....$4,345,533 50
Deduct notes held by the different Banks..... 782,702 71

Actual circulation.....$3,562,830 79

MERCANTILE MISCELLANIES.

CURRENCY OF GREAT BRITAIN.

A TABLE *of the Circulation of Great Britain at different periods, from* 1810 *to* 1839, *inclusive.*

	In 1810.	*In* 1816.	*In* 1825.	*In* 1836.	*In* 1839.
Bank of England.....	£24,446,171	26,681,398	20,378,410	18,147,000	17,960,000
Private Bank circulation..	23,893,868	67,000,000	32,800,000	12,872,329	12,225,448
Exchequer Bills.....	23,260,000	15,095,000	14,147,211	28,976,000	28,456,000
Irish circulation.....	3,170,066	4,179,549	6,411,349	6,540,000	7,000,000
Scotch circulation.....	2,080,340	3,250,570	5,230,750	4,680,290	4,500,000
Total Paper circulation...	£76,820,447	116,197,817	78,987,720	72,315,629	70,141,488
Bullion in the Bank.....	3,181,350	7,562,780	3,634,320	4,545,000	2,886,000

The paper currency of the United Kingdom of Great Britain is made up of five different kinds:—1. Bank of England notes; 2. Joint-Stock Bank notes, and Private Bankers' bills; 3. Exchequer bills; 4. Irish Bank bills; 5. Scotch Bank bills.

VALUE OF THE POUND STERLING, OR BRITISH SOVEREIGN.

The Journal of Commerce publishes a communication, evidently written by a mathematician of high attainments, relative to the value of the pound sterling. The writer's remarks were elicited by the perusal of Condy Raguet's treatise on "currency and banking," recently published in Philadelphia. The writer thinks that if the book should be generally read by our merchants and bankers it would prove highly useful, although there are some positions of the author to which he cannot give his assent.

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In this work Mr. Raguet explains, first, the laws which regulate a currency, composed entirely of the precious metals; secondly, the laws which regulate a mixed currency, composed of the precious metals and of paper convertible into coin on demand; and thirdly, the laws which regulate a currency composed entirely of inconvertible bank paper.

On page 34, Mr. Raguet gives $4 87 7-120, as the true value of the British Sovereign under the Gold Bill of 28th June, 1834. (The correct value under that bill is $4 87 .137118067, and the true gold par of exchange with London.)

When he wrote this, Mr. Raguet appears not to have seen the third and last act of congress, touching our coinage, approved 18th January, 1837, supplementary to the act entitled "an act establishing a mint, and regulating the coins of the United States," though he incidentally alludes to it in a note on page 186, near the end of his book.

Under this act, the value of the sovereign (pound sterling) 22 carats fine, is $4 86 .474743723303, or by extending the decimal, $4,8665x, which is the real par of exchange with London, and quoted thus: 109,496x or very nearly 9½ per cent. premium on the computed par of $4 44 4-9. But it is said to have been found by assay at the United States mint at Philadelphia, within the current year, that the sovereign is only 915½ thousandths (21 97x carats) fine, which is 1 1-6 thousandths short of the legal fineness —916 2-3 thousandths, or 22 carats. Consequently, the value of the sovereign is, in fact, only $4 86.8914241101, or by extending the decimal, $4 8603x, which is now the real *intrinsic* par of exchange with London, (provided the sovereigns are of full weight,) and is quoted thus: 109 35x, or 9 7-20 per cent. nominal premium, or the fixed par of $4 44 4-9.

It should be noticed in this place, that the mode still adhered to by many, of quoting exchange between the United States and London, is both *obscure* and *absurd*, as the premium or discount is founded upon the *false* or nominal par of $4 44 4-9, instead of the true par of $4 86x. It would be much more simple and intelligible, to quote the course of exchange at so many dollars and cents per pound sterling or sovereign, taking $4 86 as the true value of the sovereign, and fixed par of exchange with London.

It should also be observed, that in the calculation of our duties at the custom house prior to the 14th July, 1832, the value of the pound sterling was computed at $4 44. From and after that date it was fixed by law at $4 80, which still obtains in estimating the value of British goods, for the purpose of calculating the *ad valorem* duties.

The banks receive and pay out sovereigns at $4 85—*one* cent less than their *intrinsic* value, (supposing them to be of full weight,) making a difference in 100,000 sovereigns of $1,000, between the *real* and *computed* value. This must be owing to the officers of the British mint taking full advantage of the "remedy," and suffering the sovereign to be short of the standard in weight as well as fineness. Or, it may be owing to many of the sovereigns which reach this country, having lost part of their weight, and consequently value, through frequent use.

SUGAR IN FRANCE.

The *Journal de Rouen* contains the following letter from Havre, describing the effects produced in that town by the reduction of the sugar duty:—"The news of the reduction of the duty on sugar has been received with the greatest enthusiasm by all classes of our population. Not only were all the ships in harbor gaily dressed, and the houses adorned with tri-colored flags, but the laboring class, whose work was diminished by the smallness of the cargoes of ships from the colonies, paraded the streets in great numbers, preceded by a tri-colored flag, with a sugar cane surmounted by a nosegay, below which was beet-root covered with crape, with this inscription, 'Death to the beet root.'"

IMMEDIATE RELIEF.

During the "panic" in the money market some few years ago, a meeting of merchants was held in the Exchange, to devise ways and means to extricate themselves from their pecuniary difficulties. The great hall was crowded, addresses were made, resolutions passed, committees appointed, and everything done that is usual and necessary. After all this, one of the company moved that the meeting stand adjourned until some future day, when up jumped a little jobber, in a great state of excitement, and requested the merchants to linger a moment, as he had something of the greatest importance to communicate. The jobber was known to be a very diffident person; and, as he had never ventured on the responsibilities of speaking on any former public occasion, all were anxious to hear what he had to say.—"Gentlemen," said he, with evident emotion, and in the most emphatic, feeling and eloquent manner, "what's the use of talking of some *future* day? We want relief, I tell you!—*immediate* relief!" and down he sat amidst a universal roar of laughter. *The next day he failed!*—Morris.

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