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HUNT'S  
MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

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SEPTEMBER, 1850.  
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Art. I.—INTERNAL IMPROVEMENTS IN THE STATE OF NEW YORK.

A SKETCH OF THE RISE, PROGRESS, AND PRESENT CONDITION OF INTERNAL  
IMPROVEMENTS IN THE STATE OF NEW YORK.

NUMBER I.

It is now (July 4, 1850,) thirty-three years since the breaking of ground for the Erie Canal was celebrated at Rome, and twenty-five years will have elapsed, in November next, since the first boat passed from Buffalo to the city of New York, freighted with a few of the products of the country around the lakes, and enough of the water of Lake Erie to be used in the ceremony of mingling the waters of the lake and the ocean, in the great celebration in commemoration of the completion of the "navigable communications between the great Western and Northern Lakes and the Atlantic Ocean." The present sketch is intended to show the commencement and completion of the several State canals, with a brief allusion to the financial arrangements and regulations for their construction and maintenance; also the condition of the country, and the mode of intercourse previous to the Revolution, and a short reference to the several works undertaken by incorporated companies, the aid rendered them by the State, and the effect of these operations on the public finances.

At the close of the Revolutionary War, the western part of this State was almost an unbroken wilderness. In 1784, the name of the county of Tryon was changed to Montgomery, and at that time Johnstown was the county-seat of all the territory west to Lake Ontario and Erie, and south to the line of Pennsylvania. The county of Ontario was set off from Montgomery, five years from that time, and the organization of Herkimer followed two years after. In the latter year, 1791, Otsego and Tioga were also set off from Montgomery.

Comfort Tyler, one of the early settlers of Onondaga, in a letter to Robert Troup, dated in 1820, says:—"In April, 1788, I removed from Johnstown to Onondaga Hollow, by consent of the Indians. There were no mills

west of German Flatts, and little or no improvements. Where Utica now stands, Bellinger had a log-house. There were others in Whitesborough. Judge Sanger commenced the same year where New Hartford now stands, and some settlements in Clinton also. Judge Dean was a frontier settler, and he had two or three settlers on his land. From thence westward the Indians owned all the lands.\*

A tax of £50,000 assessed on the State by an act of 1787, the year previous to the one alluded to by Mr. Tyler, was apportioned among the organized counties as follows:—

New York.....	£13,000	Queens.....	£4,500
Albany.....	5,500	Kings.....	2,300
Columbia.....	2,400	Richmond.....	1,300
Dutchess.....	5,000	Montgomery.....	1,600
Ulster.....	3,400	Washington.....	600
Orange.....	2,500		
Westchester.....	3,400	Total.....	£50,000
Suffolk.....	4,500		

The preceding statement shows that the sum assessed on the county of Kings in 1787, exceeded by £100 the whole sum levied on the counties of Washington and Montgomery, the former extending to the 45th degree of north latitude, and the latter embracing the entire territory from Johnstown to the lakes and to the line of Pennsylvania, as before stated; a territory which now contains 39 counties, 647 towns and wards, and in 1845 had an aggregate population of 1,483,793; 107 academies, 8,050 common schools, and an assessed valuation of real and personal estate of more than two hundred and seven millions of dollars.

When Canada was occupied by the French, and this State was a colony of Great Britain, the Wood Creek of Lake Champlain, and the Wood Creek of the Oneida Lake, were the routes by which there was intercourse, in time of peace, between the establishments on the Lakes and St. Lawrence, and those of the Hudson. In the wars between the French and English, these water courses and the intervening portages were traversed by the hostile parties of the colonies. The white men were indebted to the Indians for the mode of traversing these channels of intercourse, if not for the discovery of the routes.

In this way the topographical features of the country became well known to the early settlers, and the facilities for its improvement must have been obvious to those who had occasion to follow these rude lines of communication, either as trading or war parties.

As early as 1724, the Surveyor General of the province of New York, Cadwallader Colden, in a report to the Governor, describes the routes to Lakes Ontario and Champlain with entire accuracy. The main object of the report was to show that the fur trade could be carried on by the English on the route from Albany by the Mohawk, the Oneida, and the Onondaga Rivers, cheaper than by way of the Hudson, Lake Champlain, Montreal, and up the St. Lawrence and Lake Ontario to the mouth of the Oswego River. This report states that the method of carrying goods upon the rivers of North America, into all the small branches, and overland, from the branches

\* In Colden's Memoir of the Canals, page 7, it is stated that the population of the State of New York, at the peace in 1783, was only 200,000; and that in 1788, when a treaty with the Indians was held at Fort Stanwix, there was not a white inhabitant from that point, now Rome, to the Western Lakes. Mr. Tyler had removed to Onondaga in April of the same year.

of one river to the branches of another, was learned from the Indians, and is the only method practicable through such large forests and deserts as the traders pass through, in carrying from one nation to another. An Indian canoe, "made of the bark of a birch tree, and capable of carrying a dozen men, can itself be carried on two men's shoulders; so that, when they have gone as far by water as they can, which is further than is easily to be imagined, because their loaded canoes don't sink six inches into the water, they unload their canoes, and carry both goods and canoes upon their shoulders overland to the nearest branch of the river they intend to follow." After alluding to the route to Lake Ontario, the report says:—"But beside this passage by the lakes, there is a river which comes from the country of the Senecas and falls into the Onondaga River, by which we have an easy carriage into that country, without going near the Cataragui Lake, (Ontario.) The head of this river goes near to Lake Erie, and probably may give a very near passage into that lake, much more advantageous than the way the French are obliged to take by the great falls of Jagara, (Niagara.) But as this passage depends upon a further discovery, I shall say nothing more of it at this time."\*

In 1768, Sir Henry Moore, in a message to the Colonial Assembly, refers to the complaints of those engaged in the Indian trade as to the delay and expense at the carrying places, and intimates that without the aid of the Legislature, "the commerce with the interior part of the country may be diverted into such channels as to deprive this colony of every advantage which could arise from it. The obstructions on the Mohawk River, between Schenectady and Fort Stanwix, occasioned by the Falls of Canajoharie, has been constantly complained of, though it is obvious to all who have been conversant in matters of this kind, that the difficulty is easily to be removed by sluices, upon the plan of those of the great canal of Languedoc, in France, which was made to open a communication between the Atlantic Ocean and the Mediterranean."

The importance of connecting the western country with the Atlantic ports by navigable communications and good roads attracted the attention of the statesmen who achieved our independence, as soon as their minds were released from the pressure of the war. Soon after the ratification of the treaty of peace, General Washington made a tour to the north; and in a letter to one of his foreign correspondents, he says:—"I have lately made a tour through the Lakes George and Champlain, as far as Crown Point; then, returning to Schenectady, I proceeded up the Mohawk River to Fort Schuyler, crossed over to Wood Creek, which empties into the Oneida Lake, and affords the water communication with Ontario." In 1784, he also made a tour as far west as Pittsburg, and on his return wrote a letter to the Governor of Virginia, in which, after enumerating the difficulties to be surmounted in bringing the trade of the west to different points on the Atlantic, he expressed, unequivocally, the opinion that the rivers of Virginia, the Potomac and the James, afforded a more convenient and a more direct course than could be found elsewhere, for that rich and increasing commerce. This was strongly urged as a motive for immediately commencing the work. He alluded to measures which unquestionably would be adopted by New York and Pennsylvania to secure a monopoly of this trade. Adding at the same

\* The whole of this interesting report is given in Dr. Hosack's *Memoirs of De Witt Clinton*, p. 232'

time, "I am not for discouraging the exertions of any State to draw the commerce of the western country to its sea-ports. The more communications we open to it, the closer we bind that rising world, for, indeed, it may be so called, to our interests, and the greater strength shall we acquire by it." He alludes to the fact that the United States were "flanked by the Spaniards on their right, and Great Britain on their left," and presses on the Governor "the necessity of applying the cement of interest to bind all parts of the Union together by indissoluble bands, especially of binding that part of it which lies immediately west of us to the Middle States." To effect this he proposed to "extend the inland navigation of the eastern waters; communicate them as near as possible with those which run westward; open these to the Ohio; open also such as extend from the Ohio to Lake Erie; and we shall not only draw the produce of the western settlers, but the peltry and fur trade of the Lakes also, to our ports; thus adding an immense increase to our exports, and binding those people to us by a chain which never can be broken."\* General Washington attended the sessions of the Legislatures in Virginia and Maryland, and acts were passed in accordance with his plans for the improvement of the James and Potomac Rivers, as early as 1784.

Mr. Jefferson also took a deep interest in the subject of opening intercourse between the Atlantic and western territory by means of navigable communications. In his notes on Virginia, written in 1781-2, he alludes to three principal connections between the western waters and the Atlantic—the Hudson River, the Potomac, and the Mississippi. He calculates that flour, timber, and other heavy articles will be floated down the Mississippi, but in consequence of the difficulties of the navigation in the Gulf of Mexico and up the Mississippi, merchandise will not take that route, and that "there will be a competition between the Hudson and Potomac Rivers for the residue of the commerce of all the country westward of Lake Erie, on the waters of the Lakes, of the Ohio, and upper parts of the Mississippi." To go to New York, the trade of the lakes, he says, must first be brought into Lake Erie. He then alludes to the portages at Niagara, the Falls of the Onondaga near Oswego, Wood Creek to the Mohawk River, Little Falls, and from Schenectady to Albany. He alludes to the superiority of harbors on the south side of the lake, and supposes a cargo to be transported, to have reached Cuyahoga, (Cleveland)—"to proceed to New York it will have 825 miles and five portages; whereas it is but 425 miles to Alexandria, its emporium, if it turns into the Cuyahoga, and passes through that, Big Beaver, Ohio, Yohoganey, (or Monongahela and Cheat,) and Potomac, and there are but two portages; the first of which, between Cuyahoga and Beaver, may be removed by uniting the sources of these waters, which are lakes in the neighborhood of each other, and in a champaign country; the other, from the waters of Ohio to Potomac, will be from fifteen to forty miles, according to the trouble which shall be taken to approach the two navigations. For the trade of the Ohio, or that which shall come into it from its own waters or the Mississippi, it is nearer through the Potomac to Alexandria than to New York by 580 miles, and it is interrupted by one portage only." He also alludes to the fact that the route through New York is shut up by ice three months of the year, "whereas the channel to the Ches-

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\* Marshall's Life of Washington.

apeake leads directly into a warmer climate, so that vessels may pass the whole winter, subject only to short delays."

In a letter from Paris, in 1785, after General Washington had sent him the act of 1784, for improving the Potomac, Mr. Jefferson says:—"I place an immense importance to my own country on this channel of connection with the new western States." In another letter to General Washington, in 1785, after expressing his gratification that the Potomac River, James River, and Dismal Swamp improvements were to be carried through, he adds, "there is still a fourth, however, which I had the honor, I believe, of mentioning to you in 1784: it is the cutting a canal which shall unite the heads of the Cuyahoga and Beaver Creek. The utility of this, and even the necessity of it, if we mean to aim at the trade of the lakes, will be palpable to you." Again, in 1788, he refers to the same subject and says:—"It will infallibly turn through the Potomac all the commerce of Lake Erie, and the country west of that, except what may pass down the Mississippi; and it is important that it be soon done, lest that commerce should, in the meantime, get established in another channel." Mr. Jefferson visited and examined the canal of Languedoc through its whole extent, and made notes on the spot, which he forwarded to General Washington in 1788, to "aid him in the prosecution of the Potomac Canal." In 1789, he writes again to General Washington from Paris, urging the same views as before, and in allusion to the connection between the Potomac and the Ohio Rivers, he says:—"I consider the union of those two rivers as among the strongest links of connection between the eastern and western sides of our Confederacy."

About the time of the enactment of the first law in Virginia, Christopher Colles, of the city of New York, presented a memorial to the Legislature of this State in the winter of 1784, for removing obstructions in the Mohawk River, and opening a water communication with Lake Ontario. The next year a small appropriation was made, \$125, and Mr. Colles explored the country as far as Wood Creek, and published a pamphlet setting forth the advantages of a water communication between the Mohawk and Lake Ontario. In this pamphlet he says:—"Providence, indeed, appears to favor this design; for the Alleghany Mountains, which pass through all the States, seem to die away as they approach the Mohawk River, and the ground between the upper part of this river and Wood Creek is perfectly level, as if designedly, to permit us to pass through this channel into this extensive inland country. The amazing extent of the five Great Lakes, to which the proposed navigation will communicate, will be found to have five times as much coast as all England." In 1786, Mr. Colles again petitioned the Legislature, and Jeffrey Smith reported a bill to the Assembly "for improving the navigation of the Mohawk River, Wood Creek, and the Onondaga River, with a view of opening an inland navigation to Oswego, and for extending the same, if practicable, to Lake Erie." This bill did not become a law.\*

In 1791, Governor George Clinton called the attention of the Legislature to the importance of "continuing to facilitate the means of communication with our frontier settlements." A committee was raised on this part of the Governor's speech, which resulted in the enactment of a law authorizing the Commissioners of the Land Office to cause a survey to be made for a canal

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\* In alluding to the praiseworthy efforts of Christopher Colles, Mr. Colden in his Memoir says:—"We may all remember him as the projector and attendant of the telegraph erected during the war of 1812 on Castle Clinton."

to connect the Mohawk with Wood Creek in the county of Herkimer, and the Hudson with Wood Creek in the county of Washington. The Commissioners employed Abraham Hardenberg and Benjamin Wright, (the latter was afterwards a chief engineer on the Erie Canal,) to explore the routes and give an estimate of the cost. The report was highly favorable, and the subject was again introduced to the Legislature by Governor Clinton in 1792. This resulted in the passage of an act, prepared by General Schuyler, to open "a lock navigation from the navigable part of the Hudson River to be extended to the Seneca Lake, and to Lake Ontario." The act of 1792 marks an important era in the canal policy of this State, and the success of the measure in the Legislature is attributed, in a great degree, to the untiring efforts and great influence of General Philip Schuyler. Previous to the passage of this act, and in the year 1791, Elkanah Watson, with Stephen N. Bayard, of New York, and others, explored the route from Schenectady to Geneva, in reference to opening a water communication from the Mohawk to the Seneca and Ontario Lakes. Robert Troup, in a letter to Brockholst Livingston in 1822, contended that the lake canal policy, as embraced in the act of 1792, and extending to Ontario and Seneca Lakes, originated with Mr. Watson; but it is conceded by him that Mr. Watson's views did not extend to the interior route to Lake Erie; and in a letter to Dr. Hosack in 1829, Mr. Troup gives an extract from Mr. Watson's own history of the matter, in which the latter says:—"The utmost stretch of our views was, to follow the track of nature's canal, and to remove natural or artificial obstructions; but we never entertained the most distant conception of a canal from Lake Erie to the Hudson."\* Mr. Watson kept a journal of his tour in 1791, which is appended to the letter of Mr. Troup, and also given in the history of the canals, published by Mr. Watson.

The State loaned money to the Western Inland Lock Navigation Company; and when the charter was surrendered, the State was the owner of 350 shares, equal to \$92,000; then valued at \$60,000. The company expended about \$450,000, as stated by its president in 1812, Robert Bowne. The transportation from Schenectady to Oswego Falls, and to Seneca Lake, was in boats, carrying from 5 to 10 tons. Improvements were made at Little Falls and Rome, by locks and short canals, so as to admit the passage of boats, but there was a portage around the falls of the Oswego, twelve miles from the lake. At Little Falls, the company, in 1796, completed five locks, and two and three-fourths miles of canal; a canal of a mile and a quarter at German Flatts; and, in 1797, a canal from the Mohawk to Wood Creek, of a mile and three-quarters—in all, less than seven miles, with nine locks. Some years afterwards the company built several wooden locks on Wood Creek. From Oswego, the products of the country were carried in vessels and boats constructed for the navigation of the rapids of the St. Lawrence to Montreal; and salt and merchandise were carried up Lake Ontario to Lewiston, from which place they were taken by land to Schlosser, above the falls of Niagara, and there put on board of boats carrying from 20 to 25 tons, manned by six or seven men, and taken to the store-houses of the portage company at Black Rock, and there transferred to lake vessels, or carried by land to the interior. The charges of the portage company, from Lewiston to Black Rock, 28 miles, in 1809, as stated by Mr. Geddes, were 75

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\* Hosack's Memoir of De Witt Clinton, Appendix, page 293.

cents per barrel for salt, and \$1 for merchandise generally. The cost of transporting a barrel of flour from Buffalo to Albany, has averaged, by the canal, 75 cents per barrel for the last twenty years. Of this sum, the State has received at the rate of 37 cents per barrel, and the forwarder 38 cents.

For fifteen years after the incorporation of the Western Inland Lock Navigation Company, the attention of the Legislature and the people seems to have been occupied in facilitating intercourse in our own State by the incorporation of turnpike companies, and the construction of common roads; by the aid of legislative appropriations, the contributions of land-owners, and the efforts of the inhabitants. In many cases, special privileges were granted to persons, as an encouragement for the establishment of stage routes. Such a grant was given from Catskill to the Susquehanna River.

In 1804 an act was passed giving to two persons the exclusive right of running stage-wagons for passengers, from Utica to Canandaigua, and prohibiting other persons from interfering, under a penalty of \$500. The recipients of this legislative favor, were, however, required to go through twice a week. Even with all these efforts, the channels of intercourse, in many parts of the State, were very rough and imperfect, at the period of commencing the surveys for the canals. Mr. Geddes, in one of his reports to the Surveyor General, in 1809, says:—"I was surprised, when at Schlosser, to see a wagon taken apart, and put on board a boat, to be carried to Black Rock; and, on inquiry, found there was no road between those places. In traveling up on horseback, I was obliged to drive my horse into some of the creeks, and swim him over before me. The mail-carrier is obliged to quit our territory, to get the mail from Buffalo to Niagara garrison."

Forty years have wrought great changes in the facilities for transportation and travel in the region referred to. The ancient portage from Lewiston to Schlosser now has a railroad which extends to Buffalo, and there connects with a chain of railroads to Albany. And one of the creeks across which Mr. Geddes swam his horse in 1809, now forms a link of twelve miles in the Erie Canal, affording another channel of communication between the section referred to and tide-water.

In October, 1807, Jesse Hawley commenced the publication of a number of essays in the Genesee or Ontario Messenger, published at Canandaigua, in favor of a canal from Buffalo to Utica, and thence down the Mohawk to Hudson River. In a letter to Dr. Hosack, dated at Rochester, in 1828, he says:—"My plan was a canal of 100 feet wide, and 10 feet deep, *laid on an inclined plane*, from Buffalo to Utica, and thence down the channel of the Mohawk; with improvements in it at Schenectady, and thence across the portage to Albany, for a time—to be constructed by the national government, rather than by an incorporated company of individuals—not conceiving, then, the State Treasury or finances adequate to the undertaking." These essays were fourteen in number, and their publication extended to April, 1808.

In February, 1808, Joshua Forman, a member of Assembly from Onondaga, introduced a resolution for a joint committee, "to take into consideration the propriety of exploring and causing an accurate survey to be made of the most eligible and direct route for a canal to open a communication between the tide-waters of the Hudson River and Lake Erie." This resolution was adopted by both houses; and the committee of the Assembly consisted of Messrs. Gold, Gilbert, German, Gorman, and Hogeboom; that of the Senate of Messrs. Taylor, Nicholas, and Ward.

On the 21st of March, Mr. Gold, of Oneida, made a report, in which he expressed high satisfaction with the recommendation of Mr. Jefferson, for an appropriation of a portion of the surplus revenue of the United States, "for improving, by canals, the inland navigation of the country." The report alluded to the importance of the measure in a national point of view, "in drawing together and preserving in political concord the distant parts of a widely extended empire," and closed with a resolution that "the Surveyor General cause an accurate survey to be made of the rivers, streams, and waters, in the usual route of communication between the Hudson River and Lake Erie, and such other contemplated route as he may deem proper." A copy of the survey and maps to be transmitted by the Governor to the President of the United States. The sum of \$600 was appropriated to defray the expenses of the survey.

In June, 1808, the Surveyor General, Samuel De Witt, appointed James Geddes, and instructed him to examine "the best place for a canal from Oneida Lake to Lake Ontario, in Mexico; also between Oneida Lake and Oswego." The next object will be an examination of "the most eligible tract for a canal from below the Niagara Falls to Lake Erie; and," he adds, "as Mr. Joseph Ellicott has given me a description of the country from the Tonnewanta Creek to the Genesee River, and pointed out a route for a canal through that tract, it is important to have the continuation of it explored to the Seneca River."

Mr. Geddes made his report to the Surveyor General in January, 1809. After surveying the route from Oneida Lake to Ontario, and around the Falls of Niagara, he explored the interior route "from Oneida Lake, along the track at present pursued by the navigation to the Cayuga marshes; thence up the valley of the Mud Creek, and across the country to the Genesee River; thence up Black Creek to the Tonnewanta Swamp, and down the Tonnewanta Creek to Niagara River, and up the same to Lake Erie." By the examinations of Mr. Geddes, as stated by the Surveyor General, "the fact was satisfactorily established, that a canal from Lake Erie to Hudson's River was not only practicable, but practicable with uncommon facility."

In March, 1810, Jonas Platt, a Senator from the Western District, who had been a candidate for governor in opposition to Daniel D. Tompkins, in 1807, introduced a joint resolution for the appointment of Gouverneur Morris, Stephen Van Rensselaer, De Witt Clinton, Samuel De Witt, William North, Thomas Eddy, and Peter B. Porter, commissioners for exploring the whole route of the inland navigation from the Hudson River to Lake Ontario and Lake Erie; examining the present condition of said navigation, and considering what further improvement ought to be made therein. The sum of \$3,000 was appropriated to pay the expense of surveys, &c.

In a letter to Dr. Hosack, in May, 1828, Judge Platt states that his resolution was introduced, after a long conversation with Thomas Eddy, who, as a director of the Western Inland Lake Navigation Company, was in Albany to solicit aid in extending the operations of the company from Oneida Lake to the Seneca River. Judge Platt unfolded the plan covered by his resolution, and Mr. Eddy readily came into the measure. They then made a list of commissioners, and Judge Platt says:—"Our object was to balance the opposing political parties, as nearly as possible; and as De Witt Clinton was then a member of the Senate, possessing a powerful influence over the dominant party in the State, it was considered by Mr. Eddy and myself of primary importance to obtain his coöperation. We accordingly request-

ed an interview with Mr. Clinton, and unfolded to him our plan. He listened to us with intense interest, and deep agitation of mind. He then said that he was, in a great measure, a stranger to the western interior of our State; that he had given but little attention to the subject of canal navigation, but the exposition of our plan struck his mind with great force; that it was an object worthy of thorough examination; and that if I would move the resolution in blank, he would second and support it." Judge Platt adds:—"From that period Mr. Clinton devoted the best powers of his vigorous and capacious mind to this subject, and he appeared to grasp and realize it as an object of the highest public utility, and worthy of his noblest ambition."

The commissioners appointed by the resolution of Judge Platt, made a report to the Legislature in March, 1811. This report was written by Gouverneur Morris, and advocates a canal from Lake Erie to the Hudson, as proposed by Mr. Geddes in his reports of 1809 and 1811. In this report the commissioners seem to have been influenced by the suggestion of Mr. Hawley, in favor of a canal on an inclined plane, giving an average descent of six inches in a mile, and feeding the canal, in its entire length, from the waters of Lake Erie. On this plan, the canal, as stated in the report, would cross the Genesee River by an aqueduct, at an elevation of twenty-six feet from the surface of the water; cross the outlet of the Seneca Lake also by an aqueduct eighty-three feet high; and be carried across the outlet of the Cayuga Lake on an embankment, one hundred and thirty feet in height, and one mile in length. At Rome, the elevation above the Mohawk was estimated at forty-seven feet; at Little Falls, eighty feet; at Schoharie Creek one hundred and fifty feet; and an elevation of seventy feet above the height of ground between Schenectady and Albany. From this elevation, a descent was to be made by locking down three or four hundred feet, to the level of tide-water. This report proposed that the work should be executed by the State, or the Union, and not by individuals, so as to retain the power of reducing the cost of transportation.

The suggestion of a canal on an inclined plane produced an unfavorable impression on the public mind, and in the discussions in regard to the canal policy in 1820, a writer over the signature of "Tacitus," supposed to be Mr. Clinton, ascribes the project to Gouverneur Morris, who wrote the report, and stated that the other commissioners allowed it to be retained in the report from motives of delicacy to the author. This discussion was after the death of Mr. Morris. Mr. Jesse Hawley, in a letter written after the death of Mr. Clinton, states that the commissioners, in exploring the route of the canal in 1811, took his essays with them; "and, in their report of 1811, they embraced several leading points which I had advanced in my essays, namely:—of its being a national work, and proposing to construct it on an inclined plane." And, referring to the remark attributed to Mr. Morris, in 1803-4, in regard to "tapping Lake Erie,"\* Mr. Hawley declares that "there was no writer on the idea of tapping Lake Erie, or the overland route for the canal,

\* Simeon De Witt, who was uninterruptedly Surveyor General from 1784, until his death, in 1834, and familiar with all the early operations connected with internal improvements, as well as with the history of the canal policy, in a letter to William Darby, in 1822, says that "the merit of first starting the idea of a direct communication by water between Lake Erie and Hudson River, unquestionably belongs to Mr. Gouverneur Morris." He refers to a conversation with Mr. Morris in 1803, when the latter "mentioned the project of tapping Lake Erie." Joshua Forman, the author of the resolution of 1808, in a letter to Dr. Hosack, dated in October, 1828, after alluding to the suggestion of Mr. Morris, says:—"Now I do most solemnly declare that the idea of a direct canal was original with me, whoever else had thought of it before; that I had never heard of Gouverneur Morris's suggestions, nor of Mr. Hawley's essays."

publicly known in Ontario at the time I wrote my essays." And he adds:—"Mine was a public correspondence, without obscurity; and, I can say, with great sincerity of heart, that I knew of no competitor with me for the reputation of both the conception and publication of the idea of the overland route, until after the work was commenced, and became a popular theme." It is due to Mr. Hawley to state that the general sketch of the route given in his essays, approximates very closely to the one surveyed by the engineers, and finally adopted by the commissioners.

Mr. Hawley states that he loaned his essays to Mr. Clinton, in 1812, who returned them to him in 1820. And Mr. Clinton himself, in a letter to Mr. Hawley, dated March 4th, 1822, says:—"The first suggestion of a canal from Lake Erie to the Hudson River, which came to my knowledge, was communicated in essays, under the signature of 'Hercules,' on internal navigation, in the Ontario Messenger."

In 1811, Mr. Clinton presented a bill to the Senate, adding the names of Robert R. Livingston and Robert Fulton to the list of Commissioners, and empowering them to apply to the Congress of the United States, and to the Legislatures of other States and Territories, to cooperate and aid in the construction of the canal, and to ascertain whether loans could be advantageously made on the credit of the State, and the terms on which the Western Inland Lock Navigation Company would surrender their rights to the State. It also authorized them to employ engineers, and appropriated \$15,000 to defray expenses.

The commissioners made application to Congress, to the President of the United States, and to the several States and Territories, and Mr. Morris and Mr. Clinton attended at Washington to urge the application upon Congress.

On the 23d of December, 1811, Mr. Madison, in a special message, called the attention of Congress to the application, on the part of New York, and took the occasion to remind that body of "the signal advantages to be derived to the United States from a general system of internal communication and conveyance." The message was referred to a large committee, and there was much discussion on the subject of a general appropriation of lands for internal improvements in the several States, but no aid to the canal was granted to this State by Congress. Several of the States gave a favorable response to the letter of the commissioners, but none gave encouragement of pecuniary aid. Massachusetts and Tennessee instructed their representatives to support an appropriation by Congress; the acting governor and judges of the territory of Michigan answered the letter of the commissioners by a resolution:—"That in their opinion, the canal contemplated by the commissioners in the State of New York, from Black Rock to Rome, would not be so desirable as a canal round the cataract of Niagara, and another by the falls of the Oswego."

In their report in 1812, the commissioners made estimates of the probable tonnage and tolls. They say:—"Viewing the extent and fertility of the country with which this canal is to open a communication, it is not extravagant to suppose that when settled, its produce will equal the present export of the United States." And they look forward, at no distant period, to the receipt of toll to the amount of a million of dollars. The report adds:—"will it appear improbable that, twenty years hence, the canal should annually bring down 250,000 tons?"

Twenty years after the completion of the Erie Canal, there came to tide-water on that canal, separate from the Champlain Canal, 1,107,000 tons;

valued at more than forty-five millions of dollars; and the tolls of that canal alone, the same year, amounted to two millions and a half of dollars.

In the report of 1812, the inclined plane was adhered to from Lake Erie to the Seneca River, and from the east end of the Rome Level "to a basin near the Hudson River." The cost is estimated at six millions of dollars; and the report urges the immediate commencement of the work, and the policy of having it done by the State, insisting that the cost, considering the great object to be accomplished, could not be a serious consideration with a million of people, enjoying one of the richest soils and finest climates under heaven."

The commissioners made a short report in 1814, in which they state that the declaration of war had prevented the consummation of a loan. They allude to the opposition to the direct canal to Lake Erie, and the advocates of the natural route by Oswego, and give the opinion of Mr. Weston, the engineer employed by the Lock Navigation Company, in favor of the inland route.

Such part of the act of 1812 as authorized the canal commissioners to borrow five millions of dollars, was repealed in 1814. The proposition to repeal was brought forward in the Senate by General Root, who was opposed to the canal policy. Mr. Van Rensselaer, a member of the Assembly from Columbia, proposed, as an amendment, to suspend the operations of the sections referred to "till one year after the termination of the present war." This was carried, 49 to 47. Subsequently Mr. Van Rensselaer proposed to add a section to the supply bill, appropriating \$15,000 to pay engineers, &c., which was rejected, 53 to 22. Mr. Van Horne then moved the original proposition of General Root, to repeal the third, fourth, and fifth sections of the act of 1812, which was adopted, 45 to 27. The Senate concurred, 15 to 7.

The fifth and sixth sections of the act of 1812, without setting apart funds for the payment of interest, or establishing a suitable system of finance, authorized the commissioners to make a loan of a total sum of five millions of dollars; and, as the whole of the sum, at the rate of progress then considered prudent, would not be required short of ten years, the commissioners were directed to invest the sum so to be borrowed, in public stocks, or such other fund as in their opinion, and that of the Governor, was considered most safe and productive. The repeal of this provision was regarded as a measure of hostility to the canals, and it undoubtedly was urged on by those who were hostile; but the wisdom of borrowing five millions, and exposing this sum to the hazards of investing it in productive securities, when the largest sum proposed to be expended in a year was half a million, may well be questioned. It is probably fortunate for the success of the canal policy, and the interest and credit of the State, that this law was repealed, and that no loans were made until such a system of finance was matured as commanded the confidence of capitalists, and enabled the State to borrow, on favorable terms, such sums as were required from time to time to meet its engagements. The first loan was made in June, 1817, and for the sum of \$200,000 only; the commissioners being limited by the law of 1817 to borrowing a sum, which, with the auction and salt duties, should not exceed \$400,000 in any one year.

## ART. II.—THE PRECIOUS METALS, COINS, AND BANK NOTES.

## PART II.

ON THE ORIGIN AND PROGRESS OF BANKING, AND THE ESTIMATED AMOUNT OF PAPER-MONEY IN CIRCULATION IN THE DIFFERENT COUNTRIES OF EUROPE, AND IN AMERICA IN 1810 AND 1830—ON THE AMOUNT OF BANKING CAPITAL, COIN IN THE BANKS, CIRCULATION OF BANK-NOTES AND COIN IN THE UNITED STATES AT DIFFERENT PERIODS, FROM 1810 TO 1849—ALSO THE EXPORTS AND IMPORTS OF COIN, AND THE INFLUENCE OF FOREIGN COMMERCE ON BANKING AS WELL AS ON THE SPECIE IN THE COUNTRY—ON THE DEPRECIATION OF PAPER-MONEY—THE LOSSES OF THE PEOPLE—EVILS RESULTING FROM IT, AND REMEDIES SUGGESTED.

The first issue of paper-money in Russia consisted of 40,000,000 roubles of assignats in 1759; the second consisted of 60,000,000 roubles in 1787. The silver rouble is equal to about seventy-five cents.

## NO. I.

The amount of assignats in circulation in Russia, and the per cent of depreciation at different periods, is stated by Storch as follows:—

Years.	Circulation.	Per cent discount.	Years.	Circulation.	Per cent discount.
1790....	111 million roubles.	13	1805....	292 million roubles.	23
1795....	150 " "	31½	1810....	577 " "	66½
1800....	212 " "	35	1814....	577 " "	75

Mr. Jacob states that the paper-money of Austria had increased, prior to 1810, to 1,060,000,000 of florins, and had at one time so depreciated, that a silver florin would purchase ten or twelve paper florins, and that they were worth in 1810 only about one-fifth part of their nominal value. Calling their nominal value about two shillings sterling, and their real exchangeable value in 1810 one-fifth part as much, he estimated their total exchangeable value in 1810 at 21,000,000 pounds sterling. About the year 1825 they were redeemed at two-fifths their nominal value, and specie payments resumed, and he estimated the amount of paper in circulation in 1830 at 100,000,000 florins, equal to £10,000,000 sterling.

He says the notes of the Bank of England in circulation in 1810 amounted to about £24,000,000 sterling, and estimated the notes of the private and joint stock banks, and the other banks of Great Britain and Ireland at the same amount—that is, at £48,000,000 in all. The tables in Brande's Encyclopædia of Science and Art, title bank, show that the circulating notes of the Bank of England in 1810 amounted to £21,019,600, and the coin and bullion in the bank £3,501,410; excess of circulation over coin and bullion, £17,518,190; and that in 1830 the circulation was £20,050,730, the coin and bullion £9,171,000, and the excess of notes in circulation but £11,556,730.

The country bank-notes of England and Wales in circulation in 1810 are estimated in the Commercial Dictionary at £23,893,868; in 1833 they were reduced to £10,152,104. The notes of the Bank of Ireland in circulation in 1810 are stated at \$3,170,064, and in 1832 at £3,975,322.

After the suspension of specie payments by the Bank of England in 1797, the excessive issue of bank-notes occasioned their decline in value, and their depreciation in 1810 was nearly 13 per cent, and in 1814 over 25 per cent. The basis of the private and joint stock banks relied upon to redeem their notes was not specie nor bullion, but notes of the Bank of England; so that nearly the whole amount of their circulation was an addition of so much to the money or circulating medium of the country.

As the Bank of Russia, and also that of Austria, were both in a state of suspension in 1810, and the former also in 1830, they probably had very little specie or bullion to redeem with, and I shall estimate the same at but 10 per cent. Mr. Jacob remarks that in the smaller states of Germany, in Italy, except that part of it which is under the dominion of Austria, and in Spain and Switzerland, the currency has been invariably metallic; and in Denmark, Norway, and Sweden, a paper currency existed in 1810, and still circulated; but the whole amount, as well as the variations in those countries, has been so small that they affect, in a very trifling degree, the view here taken.

There was no bank in the United States until the Bank of North America was established in Philadelphia in 1781. The first banking association formed in the State of New York was a joint stock company organized in the year 1784, under the articles of association, under which it did business as a bank nearly seven years, when it was incorporated in March, 1791, by the name of the Bank of New York. In 1792 the Bank of Albany was chartered, and in 1793 the Bank of Columbia. No other banks were chartered by the State of New York until the year 1800, when the Manhattan Company was incorporated. The first United States Bank was established in 1791; after the year 1800 banks began to increase in all parts of the United States; and we have pretty accurate information of the amount of banking capital and of bank-notes in circulation at different periods, from December, 1810, to the present time.

There is much less positive evidence of the amount of paper-money in circulation in Europe and America in the year 1800, than in the year 1810, and since that time. The circulation of the Bank of England in August, 1800, was less than £15,000,000 sterling, but was nearly £24,500,000 in August, 1810. Though the United States was flooded with what was called continental money during our Revolutionary War, and some of the New England colonies issued great quantities of paper-money before the war, yet from the close of the war until after the year 1800, we had comparatively little paper-money in our country. Paper-money was increased immensely in many countries of Europe between the years 1800 and 1810, and there was probably nearly twice as much in circulation at the latter, as at the former period.

NO. II.

Estimates in millions of pounds sterling, taken mostly from Jacob's inquiry of the exchangeable value of the paper circulation of Europe and America in 1810 and 1830, the depreciation from which the nominal amount may be calculated, the amount of specie and bullion in the vaults of the banks, and the increase of the circulating medium by means of bank-notes:—

		Depreciation, per cent.	Exchangeable value of bank-notes in circulation.	Bullion and specie in the banks.	Excess of bank-notes over specie and bullion.
Bank of England...	1810	14	18	3.5	14.4
"	1830	par	20	9.17	10.9
Private and joint-stock banks in .....	1810	14	20	1.5	18.5
Do. ....	1833	par	10	2.15	8
Banks of Ireland...	1810	14	2.7	.5	2.2
"	1830	par	5	2	3
Banks of Scotland..	1810	14	3	.6	2.4
"	1830	par	3.5	1.4	2.1

		Exchangeable value of bank- notes in cir- culation.	Bullion and specie in the banks.	Excess of bank-notes over specie and bullion.
Bank of France . . . . .	1810	par 2	.8	1.2
" . . . . .	1830	par 9	3.5	5.5
Bank of Russia . . . . .	1810	72 23	2.3	20.7
" . . . . .	1830	75 25.2	2.5	22.6
Bank of Austria . . . . .	1810	80 21	2	19
" . . . . .	1830	par 10	3.5	6.5
Holland in . . . . .	1810	.... ..	....	....
" . . . . .	1830	par 1	.4	.5
Portugal . . . . .	1810	30 1.4	.2	1.2
" . . . . .	1830	.... 2	.5	1.5
Prussia . . . . .	1810	.... ..	....	....
" . . . . .	1830	par 2	.7	1.3
United States . . . . .	1810	par 5.8	3.2	2.6
" . . . . .	1829	par 12.8	4.6	8.2
Total . . . . .	1810	£97	£14.6	£82.4
" . . . . .	1830	100.5	30.3	70.2
" . . . . .	1800		estimated at £46	

## NO. III.

STATEMENT OF THE CIRCULATION OF BANK-NOTES IN THE UNITED KINGDOM OF GREAT BRITAIN AND IRELAND AT DIFFERENT PERIODS, STATED IN MILLIONS OF POUNDS STERLING.

	December, 1842.	December, 1845.	December, 1848.	December, 1849.
Bank of England . . . . .	£19.5 millions.	£20.2 millions.	£16.9 millions.	£17.9 millions.
Private banks, Engl'd.	5.0 "	4.5 "	3.5 "	3.5 "
Joint-stock banks . . . . .	3.0 "	3.1 "	2.5 "	2.6 "
Banks in Scotland . . . . .	3.0 "	3.3 "	3.3 "	3.2 "
Banks in Ireland . . . . .	5.2 "	7.4 "	4.8 "	4.7 "
Tot., United Kingdom.	£35.7 "	£38.5 "	£31.0 "	£31.9 "

Mr. McCulloch estimates the amount of coin in circulation in the United Kingdom of Great Britain and Ireland in 1833 at £30,000,000 sterling; but when we reflect that they have a large bank-note circulation, and that nearly all the merchants keep their deposits in, and do their business through banks, I doubt if the average circulation of coin during the last twenty years has exceeded £20,000,000, and have estimated it at that sum. The notes of the Bank of England constitute the principal means of all the other banks and bankers of the kingdom, with which to redeem their notes; and hence they are used as a substitute for coin to the amount of perhaps £6,000,000, which should not be treated as any portion of the circulation of the country. This amount should therefore be deducted from the gross circulation of England, and the deduction is made in the following table. The average circulation of bank-notes in the United Kingdom from 1833 to 1840 was about the same as from 1841 to 1849:—

## NO. IV.

STATEMENT OF THE AVERAGE CIRCULATION OF COIN AND BANK-NOTES AMONG THE PEOPLE, FROM 1841 TO 1849, AND THE AMOUNT TO EACH PERSON, AFTER DEDUCTING £6,000,000 STERLING, BANK OF ENGLAND NOTES SUPPOSED TO BE HELD BY OTHER BANKS.

	Bank-notes.	Coin.	Total.	Each person.
England and Wales . . . . .	£21 millions.	£14 millions.	£35 millions.	£10½
Scotland . . . . .	3½ "	2½ "	5½ "	9½
Ireland . . . . .	5½ "	3½ "	9½ "	5

The circulation of the Bank of France ordinarily fluctuates from 210 to 240,000,000 francs;—

Its circulation in July, 1830, was about .....	\$43,200,000
In October, 1839, it was.....	39,937,000
“ 1845, it was.....	48,589,000

It is most probable that the amount of paper-money in Europe and America was very nearly the same in 1840, and but little more in 1845 than it was in 1830.

NO. I.

ESTIMATE OF MR. GALLATIN OF THE CAPITAL, NOTES IN CIRCULATION, AND SPECIE IN THE BANKS OF THE UNITED STATES AT THE END OF THE YEAR 1829.

	Capital.	Notes.	Specie.
	millions.	millions	millions.
281 banks, ascertained.....	\$95	\$39.2	\$12
48 banks, estimated .....	15.2	9.1	2.9
United States Bank .....	34	13.0	7.2
Total.....	\$145.2	\$61.4	\$22.1

It is obvious that if the capital of the forty-eight banks is properly estimated, the notes in circulation are estimated too high, by more than \$2,000,000, and the specie in them too high by about \$1,000,000, to correspond with the 281 banks, whose condition was ascertained. I shall, therefore, reduce the estimate, to make all the parts correspond, and shall call the circulation but \$59,000,000, and the specie \$21,000,000.

Mr. Gallatin estimated the amount of specie in the banks of the United States at the end of each year as follows:—1810 at \$15,400,000; of 1814 at \$17,000,000; of 1815 at \$19,000,000; and of 1819 at \$19,800,000.

The commercial records of the exports and imports of the precious metals, show that the amount in the country, from 1824 to 1828, must have been about \$9,000,000 less than it was in 1820; and about \$5,000,000 less in January, 1830, than it was in 1820. We cannot reasonably assume that the amount of coin in circulation in January, 1830, was less than \$4,000,000, which, taking the exports and imports of specie into consideration, and Mr. Gallatin's estimate of the amount in the banks, would make the amount in circulation in 1820 over \$10,000,000, and may be illustrated as follows, (the amount brought in by immigrants, not entered at the custom-house, being estimated at from \$10,000,000 to \$20,000,000 each, on an average;—)

Estimated amount of coin and bullion in the United States, October 1, 1820.....	\$30	millions.
Imported in four years to September 30, 1825.....	24.9	“
Estimated amount brought in by immigrants .....	2	“
Total of imports and supply.....	\$56.9	“
Exported during the same four years.....	\$34.67	millions.
Estimated amount used in the arts and made into plate, utensils, jewelry, and other ornaments, over and above old metal used and the produce of our own mines.....	1.23	“
Total export and consumption.....	35.9	“
Leaving in the United States but.....	\$21	“
October 1st, 1824, when the tariff of 1824 took effect:—		
Imported in four years, to September 30th, 1828.....	\$28.67	“
Estimated amount brought in by immigrants.....	2	“
Total import and supply .....	\$51.67	“

Exported during the same four years .....	\$29.4 millions.	
Estimated amount used in the arts .....	1.27 "	
Total export and consumption .....	—	30.67 millions.
Leaving in the United States only.....	\$21	"
October 1st, 1828, when the tariff of 1828 went into operation:—		
Imported in six years, to September 30th, 1834.....	\$53.75	"
Amount brought in by immigrants, estimated at .....	4	"
Total imports and supply .....	\$78.75	"
Exported during the same six years.....	\$26.46 millions.	
Used in the arts.....	2.29 "	
	—	28.75 "
Leaving in the United States.....	\$50	"
October 1st, 1834, soon after the free trade compromise.		
Act of March, 1833, made the first reduction of duties on foreign manufactures:—		
Imported in three years, to September 30th, 1837.....	\$37	"
Estimated amount brought in by immigrants .....	2	"
Total imports and supply .....	\$89	"
Exported during the same three years.....	\$16.78 millions.	
Amount used in the arts, over and above product of our mines during this extravagant period of speculation .....	9.22 "	
	—	26 "
Leaving in the United States .....	\$63	"
October 1st, 1837, when nearly all the banks in the nation were in a state of suspicion.		
As the imaginary wealth of the people of the United States was greatly increased during the speculative period from 1834 to 1837, by the multiplication and expansion of the banks, the increase of paper-money, and the increase of prices, which was the necessary consequence; the extravagance of the people, and the increase of gold and silver made into plate, watches, chains, and other ornaments and utensils, was also immensely increased.		
The value of the products of the precious metals manufactured in the United States in 1839, according to the returns of the census, amounted to \$4,734,960, which must have consumed an amount of gold and silver exceeding \$3,000,000.		
The products of our gold mines in 1839 amounted to only \$529,605; and the amount of silver was so small that it was not returned separately from other metals. The amount used in the arts for ten years, from 1837 to 1847, over and above the products of our mines, and the old gold and silver worked over, has probably amounted to over \$2,000,000 per annum.		
Estimated amount of specie and bullion in the United States, October 1, 1837, brought forward.....	\$63	millions.
Imported in one year, to September 30, 1838 .....	17.75	"
Amount brought in by immigrants, estimated at .....	.50	"
	—	\$81.25 "
Exported during the year .....	\$3.5 millions.	
Used in the arts.....	1.75 "	
	—	5.25 "
Leaving in the United States, October 1, 1838.....	\$76	"

Imported in four years, to September 30, 1842 .....		23.55 millions.	
Amount brought in by immigrants, estimated at.....		2.45	"
		<hr/>	
		\$102	"
Exported during the same four years.....	\$32.3 millions.		
Used in the arts, estimated at.....	7.7	"	
	<hr/>	40	"
		<hr/>	
Leaving in the United States .....		\$62	"
Coin and bullion, October 1, 1838, when the tariff of 1842 went into operation.			
Specie imported in three and three-quarters years to June 30, 1846, under the tariff of 1842.....		\$36	"
Estimated amount brought in by immigrants .....		5	"
		<hr/>	
		\$103	"
Specie exported during the same period.....	\$19.5 millions.		
Used in the arts and loss by friction, &c., estimated at.....	8.5	"	
	<hr/>	28	"
		<hr/>	
Leaving in the United States, June 30, 1846 .....		\$75	"
Specie imported during the year ending June 30, 1847, in consequence of the short crops in Europe and the great demand for our flour and grain.....		24.1	"
Amount brought in by immigrants, estimated at .....		1.4	"
		<hr/>	
		\$100.5	"
Specie exported during the same year.....	\$2.5 millions.		
Specie expended abroad by the navy, and by the army in Mexico, estimated at.....	4	"	
Used in the arts and lost by friction, &c.....	3	"	
	<hr/>	9.5	"
		<hr/>	
Leaving in the United States, June 30, 1847.....		\$91	"
Of coin and bullion of over \$80,000,000 on the 1st of December, 1846, when the free-trade tariff of 1846, took effect.			
Specie imported in two years, to June 30, 1849.....		\$13	millions.
Amount brought from California, about.....		2	"
Estimated amount brought in by immigrants.....		4	"
		<hr/>	
		\$110	"
Specie exported during the same period .....	\$21.25 millions.		
Used in the arts and loss by friction.....	5.75	"	
Expended abroad by the army and navy.....	3.00	"	
	<hr/>	30	"
		<hr/>	
Leaving in the United States, June 30, 1849.....		\$80	"
Of coin and bullion, of which over \$45,000,000 was in the banks, and the balance hoarded and in circulation.			

There is much reason to believe that there never was more specie in the United States, in proportion to their population, than there was during the general suspension of specie payments by the banks, from May, 1837, to May, 1838; and consequently, the suspension could not have been caused by the small amount of specie, but by the excessive amount of paper-money, the wild and extravagant spirit of speculation, the excessive imports of foreign goods, which served to paralyze the industry of the country, and the rapid accumulation of a foreign debt; all of which causes contributed to alarm

capitalists, bankers, and business men; to destroy confidence and credit; to depress property, and to derange business.

While the several States were making loans, and selling their bonds in Europe, and to the agents of European capitalists in America, from 1833 to 1838, in order to establish banks, make canals, railroads, and other improvements, and were increasing their debts in Europe about \$100,000,000, the specie of the United States was increased, by means of importations, about \$10,000,000, and the balance of the loans was imported in the shape of European manufactures. After our debts became so large that European capitalists became alarmed, and would not loan us any more money, nor buy our State stocks and bonds at scarcely any price less than a discount of from 20 to 80 per cent, the merchants and foreign manufacturers still continued to glut our markets with foreign goods; and during four years under the operation of the free trade compromise act of 1833, they drained the United States of specie, and reduced the quantity in the country from \$76,000,000, October 1st, 1833, to \$62,000,000, October 1st, 1842. From October 9th, 1839, when the most of our banks suspended specie payments the second time, to the passage of the tariff act in August, 1842, was one of the most gloomy periods in the history of our country; about as gloomy as the six years next prior to the passage of the tariff act of 1824, immediately after the heavy importations of 1815, 1816, and 1817; and exceeded only by the general embarrassment, depression, prostration, and suffering of the country during the period from 1784 to 1789, after the heavy importations of foreign goods at the close of our Revolutionary War, when the country enjoyed, to the fullest extent, that *glorious system of free-trade* which the *nullifiers* have long been sighing after.

While the tariff act of 1842 was in operation, (from October 1st, 1842, to November 30th, 1846,) it operated to check and lessen the importation of foreign goods, to secure the home-market, to a considerable degree, to the laborers and producers of our own country, and to increase the industry of the nation. The balance of trade was in our favor, a part of which was applied to the payment of the interest and principal of our large foreign debt, and a part paid to us in specie; the specie of the country increased about \$18,000,000; and, at the end of that period, our commerce, finances, banks, mining, manufacturing, and agricultural industry, were in a very flourishing condition.

## NO. II.

STATEMENT, IN MILLIONS OF DOLLARS, OF THE CAPITAL AND GROSS CIRCULATION OF THE BANKS OF THE UNITED STATES, AND THE SPECIE IN THEM, AT THE TIME OF THEIR REPORTS, THE NEAREST TO THE 31ST OF DECEMBER OF EACH OF THE UNDERMENTIONED YEARS; ALSO, ESTIMATES, IN ACCORDANCE WITH THE BANK REPORTS AND THE FOREGOING CALCULATION OF THE COIN IN CIRCULATION, AND THE WHOLE CIRCULATION OF COINS AND BANK-NOTES, THE POPULATION, AND THE AVERAGE CIRCULATION TO EACH PERSON AT EACH PERIOD.\*

	1810.	1814.	1815.	1819.	1824.	1829.
Capital.....	\$52.6	\$82.5	\$89.8	\$137	..	\$145.2
Bank-notes issued .....	28.1	45.5	68	44.8	..	59
Specie in banks .....	15.4	17	19	19.8	\$18	21
“ circulation .....	15	11	8	10.2	3	4
Total circulation.....	43.1	56.5	76	55.	50	63
Population, (millions) .....	7.3	8.3	8.4	9.6	11	12.6
Dollars to each person .....	\$6	\$6½	\$9	\$5½	\$4½	\$6

\* A portion of the amount of bank-notes in circulation, and specie in the banks at the end of the years 1810, 1814, 1815, 1819, and 1829, are estimates of Mr. Gallatin, which have been generally adopted and contained in our official reports since 1834. The whole column for 1824 are estimates of mine.

	1833.	1836.	1842.	1845.	1846.	1849.
Capital.....	\$200	\$290½	\$234	\$202	\$209	\$218
Bank-notes issued....	94.8	149.1	66	108½	112	132
Specie in bank.....	....	37.9	35.4	43	38	45.4
“ circulation..	15	22	26.6	32	42	34
Total circulation ....	110	171	92.6	142½	154	166
Population, (millions).	14	15¼	18.3	20	20½	22¼
Dollars to each person	\$7¼	\$11	\$5	\$7½	\$7 2-5	\$7¾

Our foreign commerce has not only affected the specie in our country, but it has had a general influence also upon the circulation of our banks. Prior to the acquisition of California in 1848, the production of gold and silver annually by our mines, was but little over half a million of dollars. About \$2,000,000 more than the products of our mines were needed annually to satisfy the pride of the people, and supply them with utensils and ornaments; and to keep pace with the increase of our population, requires an increase of coin of \$2,500,000 annually; so that we needed about \$5,000,000 annually to supply the wants of the country, and have a sufficient specie basis to sustain our banks, and maintain the credit of our paper currency. The amount of specie in the United States is so exceedingly small, in proportion to the population and commercial wants of the country, that large importations of foreign goods, and an exportation of specie to the amount of \$4,000,000 or \$5,000,000 a year, for two or three years in succession, will inevitably weaken the banks very much, produce a panic, and run upon many of them, and cause many failures, if not a general suspension of specie payments. This is verified by the commercial revulsion from 1837 to 1842. In May, 1837, nearly all the banks in the United States suspended specie payments; during the year ending September 30th, 1838, our imports amounted to but \$108,486,616, including \$17,747,116 specie, and but little over \$90,000,000 in merchandise and foreign products; our exports the same year amounted to \$113,717,404, including but \$3,508,046 in specie—that is, we exported, exclusive of specie, over \$110,000,000 in amount, and imported but little over \$90,000,000; paid off several millions of debts, and got a balance of over \$14,000,000 specie to sustain our banks. This enabled nearly all the banks in the old States, and many in the new ones, to resume specie payments during the spring and summer of the year 1838, and to go on for some time prosperously; but the free-trade compromise act again invited large importations of foreign goods, amounting during the year ending September 30th, 1839, to \$162,092,132, including only \$5,595,176 in specie; while our exports were but \$112,251,673, exclusive of specie to the amount of \$8,776,743; showing a nominal balance of trade against us that year of about \$44,000,000; a drain of over \$3,000,000 of specie from the country, and a large increase of our foreign debt.

This large balance of trade against us and drain of specie, occasioned a second suspension of specie payments on the 9th of October, 1839, by Mr. Biddle's United States Bank of Pennsylvania, which was soon after followed by nearly all the banks south and west of the State of New York. No other country ever felt so quickly and sensibly, and suffered so severely, the disastrous effects of excessive importations of foreign goods, and an unfavorable balance of trade; for no other country ever had so small an amount of specie in proportion to the extent of their commerce; and in no other country was the credit system ever carried to so great an extent, upon a foundation so slight and frail.

The amount of specie in the United States, October 1st, 1839, being about

\$73,000,000, and October 1st, 1842, but \$62,000,000, in round numbers; the quantity in the banks \$45,000,000, in 1839, and but \$33,545,000, December, 1842, averaging about \$39,000,000 left in circulation, including what was hoarded up and withdrawn from use, from \$28,000,000 to \$29,000,000.

When specie is exported, it is withdrawn entirely from the vaults of the banks in the commercial cities, and they draw the specie from the banks of the country and the interior cities, and the amount in circulation is scarcely affected at all. Export two years in succession to pay for foreign goods, \$5,000,000 each year more specie than is imported, accompanied by a great increase of debt by means of heavy importations, these \$10,000,000 being withdrawn from the banks, reduces their specie to about \$30,000,000, and this, of itself, will often produce a panic and a run upon the banks, and cause a draw upon them of \$5,000,000 or \$10,000,000 more, and thereby occasion a failure of many of them, and perhaps a general suspension of specie payments. The suspension of October, 1839, was occasioned by the exportation of specie, and the heavy importations of goods the previous year, though the balance of specie exported was but little over \$3,000,000; and the suspension of May, 1837, was in consequence of the immense importation of foreign goods; the rapid accumulation of a heavy foreign debt, and the anticipation of large exportations of specie to pay it; the great expansion of the banks, and their heavy loans to speculators who could not pay. All these things contributed to create a panic, and induce a withdrawal of deposits, and a run upon the banks, and soon led to a general suspension of specie payments in self defence, and before the anticipated exportation of specie to pay our foreign debt had commenced.

STATEMENT OF THE AMOUNT OF BANK-NOTES ISSUED TO EACH INHABITANT, AND THE ESTIMATED AMOUNT OF COIN AND BANK-NOTES IN CIRCULATION, IN EACH OF THE FOLLOWING DIVISIONS OF THE UNITED STATES, AT THE DATE OF THEIR REPORTS NEAREST TO THE LAST DAY OF DECEMBER OF EACH OF THE UNDERMENTIONED YEARS.

	1836.	1842.	1845.		1849.	
	B'k-notes.	B'k-n'ts.	Coin and B'k-n'ts.	B'k-n'ts.	Coin and B'k-n'ts.	B'k-n'ts.
	\$5½	\$2½	\$4	\$4	\$5½	\$5
Maine, New Hampshire, and Vermont						
Massachusetts, Rhode Island, and Connecticut	15½	9½	11	18	19½	16
New York, New Jersey, and Pennsylvania	12	4½	5½	6½	9½	7
Ohio, and other North-Western States, including Iowa	5½	1½	3½	2	3½	2½
Delaware, Maryland, Dist. of Columbia, Virginia, and North Carolina	6½	3½	4½	4½	7	6
Kentucky, Tennessee, and Missouri	4½	2½	4	5	6½	5
Slave States south of 35° of latitude.	14½	4½	5½	4	6½	5½
United States	9½	3½	5	5½	7½	5½

For some months, annually, after harvest, including the fall and forepart of the winter, the bank-notes of the commercial and manufacturing States are sent into the agricultural States to pay for agricultural products; and during that portion of the year, the circulating money of the agricultural States is greater than is indicated in the above table; but the merchants soon collect the greater portion of it and send it to the commercial cities to pay for goods; so that during half or more of the year, it is much less, and perhaps does not average more than above stated during the years referred to.

Bank paper being a cheaper currency than coin, its natural tendency is to displace coin, and induce its exportation and consumption in the arts. The balance of trade being generally in favor of manufacturing and commercial, and against agricultural States, the tendencies of trade are to drain the latter of their coin, and to transfer it to the former. The products of manufacturing labor, when sold in the markets of the commercial world, amount to about twice as much as those of agricultural labor employed in either cold or temperate climates; but not so when the latter is employed in the culture of cotton, sugar, coffee, and other tropical products, in a soil and climate adapted to them. Labor employed in mining and manufacturing in Great Britain, or in the United States, is more than twice as productive as agricultural labor can be made in Ohio and the North-western States. In fact, the average income of the people of the manufacturing States of Massachusetts and Rhode Island, and of Great Britain, is more than twice as great as that of the agricultural State of Ohio, and nearly twice as great as that of the agricultural State of Vermont.

A majority of mankind are inclined to spend all they can earn, and all they can get credit for, and as the wants of agricultural communities are generally greater than their incomes, they often buy more than they can pay for with their crops within the year; and hence agricultural countries are usually involved in debt; the balance of trade is almost universally against them; and this drains them of their precious metals, and tends to depress their industry and the price of their products still more. Poverty, and nothing but poverty, a want of ability to pay promptly, and a loss or diminution of credit, tends to check importations, and to restore the balance of trade, by lessening the demand for, and the price of goods, and the inducement to import them.

As long as the balance of trade is against a country, it must either export its specie to pay such balance, or buy on credit, accumulate a debt, and eventually be drained of its specie to pay interest, as well as the principal of the debt. Bank-notes may, for a time, supply the place of coin, and thus afford a temporary remedy; but in the end, they aggravate the evil. By inflating the currency in some instances, and in others keeping it full, they keep up, and often raise the price of both domestic and foreign products, and thereby tend to prevent the exportation of domestic products; to encourage importations; to increase both the quantity and value of goods imported, and exports of specie to pay for them; and to diminish the industry of the country by depriving its own citizens of the benefit of its markets for their products. The necessary consequence is, a run upon the banks for coin, a great diminution in their circulation, many failures of banks, and numerous bankruptcies among the people, attended with a depression of property and industry, and wide-spread embarrassment throughout the country. Such a revulsion necessarily checks importations for a time, and as exportation goes on as usual, the balance of trade is eventually turned in its favor; specie again flows in, and the country partially recovers from its embarrassments.

Any measures which tend to increase the productive industry of a country, by securing its markets to its own laborers and producers, tends also to increase its wealth and domestic commerce; to lessen its imports of such articles as are, or may be produced at home; to turn the balance of trade in its favor; and to attract to it, and retain, a large amount of the precious metals as a necessary means of carrying on its domestic commerce. Hence every country, taking a long series of years together, attracts and retains an

amount of the precious metals, and maintains an amount of money in circulation, just in proportion to its condition, and the value of its productive industry and commerce; and hence you can readily deduce the amount of its productive industry and commerce from the average amount of its circulating money; and *vice versa*. Compare the average circulation of Massachusetts, Rhode Island, and Connecticut, from 1836 to 1850, with that of Ohio, and the other North-western States, or even with that of Maine, New Hampshire, and Vermont, and the reader will have a complete illustration of this truth.

This is the principle upon which Gregory King in 1696, and Humboldt in 1804, estimated the amount of money in circulation in each of the countries of Europe; and this is the principle upon which many of the estimates in the following table, and in table number IV. of this section, are formed. As nations are now accustomed to keep records of their foreign commerce, and as the record evidence of the circulation of paper-money in the United States, Great Britain, and Ireland, is nearly perfect, these records furnish data for an estimate approximating to accuracy, of the amount of circulating money in every country of Europe, such as was not possessed by Humboldt when he wrote, nor by any author before his time.

## NO. IV.

ESTIMATES FOUNDED PARTLY ON OFFICIAL ESTIMATES AND RECORDS OF THE POPULATION AND CIRCULATING MONEY, INCLUDING COIN AND BANK-NOTES, IN EACH COUNTRY OF EUROPE AND AMERICA, AND THE AMOUNT TO EACH PERSON AT THE END OF THE YEAR 1840.

	Population.	Circulating money.	Amount to each person.
Great Britain.....	18.2 millions.	\$192 millions.	\$10½
Ireland.....	8.2 "	44 "	5½
France.....	34 "	272 "	8
Holland and Belgium.....	7.5 "	67.5 "	9
Spain and Portugal.....	15.8 "	79 "	5
Italy, (including Lombardy).....	22.5 "	123.5 "	5½
German Austria.....	15 "	60 "	4
German States.....	15 "	75 "	5
Prussia.....	14.5 "	65 "	4½
Denmark, Sweden, and Norway....	6 "	24 "	4
Turkey.....	9 "	22.5 "	2½
Russia Hungary, and other eastern nations of Europe.....	69.3 "	243 "	3½
<hr/>			
Total of Europe.....	235.0 "	1,267.5 "	..
United States.....	17.3 "	138 "	8
West India Islands.....	3.0 "	30 "	10
British North American provinces...	1.6 "	8 "	5
Brazil.....	6.4 "	38 "	6
Mexico, and all Spanish American nations.....	16.9 "	58.5 "	3½
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Total of Europe and America	280 "	1,540 "	5½

## NO. V.

STATEMENT OF THE RESULT OF THE FOREGOING FACTS AND ESTIMATE OF THE AMOUNT OF COIN AND PAPER-MONEY IN CIRCULATION IN EUROPE AND AMERICA, AND THE AVERAGE AMOUNT TO EACH PERSON AT DIFFERENT PERIODS FROM A. D. 1500 TO 1840.

Years.	Coin.	Paper-money.	Total.	Amount to each person.
1500.....	\$156 millions.	.....	\$256 millions.	\$1.50
1600.....	369 "	.....	369 "	3.00
1700.....	690 "	\$5 millions.	695 "	4.50
1800.....	1,219 "	220 "	1,439 "	7.00
1810.....	1,335 "	395 "	1,730 "	7.95
1830.....	1,186 "	336 "	1,522 "	5.85
1840.....	1,200 "	340 "	1,540 "	5.60

As there was a vast amount of paper-money in circulation from 1805 to 1815 in several countries of continental Europe, as well as in Great Britain and the United States, which was really depreciated from 10 to 50 per cent below specie, and yet passed nominally at par in the purchase of merchandise and other property, we may treat the circulation of paper-money in 1810 as equal, in the common transactions of trade, to \$450,000,000, and the whole circulation as equal, nominally, to \$8 to each person. Here we can see a good cause for a great decline of the prices of manufactured goods since 1810, independent of the less amount of labor required to produce them.

The largest amount of money, including bank-notes and coin, in proportion to the population, which ever existed in the civilized world, or probably ever will exist, was during the existence of the bloated paper currency in Great Britain, Russia, and Austria, from 1805 to 1815; when half of Europe seemed deluded with the idea that mere promises to pay were as good as payment itself; and they sought to aid themselves with their miserable paper currency to conquer Napoleon. The paper, however, rapidly depreciated from 10 to 80 per cent, in proportion to the excess put in circulation beyond the commercial wants of those countries respectively, and their ability to redeem it in coin; and their golden and delusive dreams were soon dissipated. Nothing less than the frosts of a Russian winter gave the first check to the increasing and colossal power of Napoleon.

The invention of paper-money seems to have been made by the English, the latter part of the seventeenth century, and first carried into effect by means of the Bank of England. It gained but little credit for many years; but such has been the mistaken confidence and delusion of the public in many countries on this subject, at several periods, that it has served to stimulate a wild spirit of gambling speculation, and has probably done more to foster reckless extravagance, fraud, and knavery, and to promote dishonesty and corruption in business, during the past century, than all other causes combined. Nearly \$2,000,000,000 must have been lost by the holders of paper-money during the last century and a half.

The great Real Estate Bank was got up at Paris by John Law, in 1719, usually known as the Mississippi scheme; the stock of which was puffed into consequence, and rose several hundred per cent in its exchangeable value; all Paris, and a large portion of the capitalists and business men of France became excited on the subject, speculated largely in its stock, and fancied that they had made themselves rich; but in a few months the bubble burst, the bank exploded, and the circulation of the notes of the bank, (which was extensive,) as well as its stock, became worthless, and embarrassment, ruin, and bankruptcy, was suddenly spread, and extended throughout the nation. This disastrous experiment entirely cured the French people of their mania for paper-money, and they confined themselves to a specie currency for more than two-thirds of a century; until the madness of the democratic party, during the French revolution, the latter part of the eighteenth century, induced the government to issue many millions of paper-money, called assignats, which were payable in the confiscated lands of the clergy and nobles. This experiment failed also, and was very disastrous in its consequences, though not equally so as the great Mississippi scheme of Law.

During the American revolution, our forefathers resorted to the expedient, which had become very prevalent in Europe, of issuing government notes, called continental money, to aid them in their emergency. From 1776 to 1781, \$359,547,027 were issued by order of the American Congress, and it

depreciated so rapidly that in 1780 it was not worth more than two and a half cents on the dollar, and in 1782 less than one cent on the dollar. The result was most distressing to the army, and very disastrous and ruinous to a large portion of the whole nation. It was funded in 1790 at only one cent on the dollar.

As heretofore shown in table number II. of section 6, the paper-money of Russia, Austria, and Portugal, as well as that of England, France, and the United States, has been greatly depreciated, and great losses have consequently been sustained by the holders of it in each and all of those countries.

It is stated in Brande's Encyclopedia that no fewer than two hundred and forty of the country banks failed in England and Wales during the years 1814, 1815, and 1816, occasioning nearly as much distress, loss, bankruptcy, and suffering, as the great Mississippi scheme of France in 1719. During the years 1816 and 1817 a great number of banks failed in the United States; many failed in 1825 also; and the failures in the United States during the revulsion from 1837 to 1842 amounted to over one hundred and sixty, with a nominal and pretended capital of over \$132,000,000, and a circulation of over \$43,000,000.

A paper currency, which the maker is not able and legally bound to redeem in coin at the will of the holder, whether issued by the government, by incorporated or joint stock banks, or by individual bankers, is one of the greatest evils which can afflict any country. But notwithstanding the numerous frauds, losses, and evils, resulting from paper-money, the conveniences and advantages arising from well managed banks are very great; and banking is so interwoven with our system of doing business, that it is difficult, and perhaps not advisable to attempt to dispense with bank-notes, as a part of the circulating medium of the country. Something, however, should be done to secure the public, and to prevent, as well as to punish fraud. The individual liability of bankers, without more speedy and efficient remedies to enforce such liabilities than the common law affords, and different judges from some we have in the United States, proves to be almost worthless. I entertain no doubt, however, that remedies may be devised which would make the individual liability of bankers available to promote the security of the public.

The public mind seems to be tending towards the following points, as necessary safeguards in our system of banking:—First, that government stocks in good credit should be deposited with some government officer, in pledge to redeem their outstanding notes; secondly, that such officer should keep the bank-plates, have all the notes struck off, countersigned and registered in his office, and delivered to the bankers, and that uniformity, as far as practicable, should be preserved in the plates of all the notes of the same denomination in the State; thirdly, that every bank should keep on hand in specie, and in specie funds subject to draft at sight, an amount equal to from 30 to 50 per cent of all their liabilities to the public, to enable them to pay their debts in coin, or its equivalent, whenever called on; fourthly, that none but those who have capital to lend, and do not wish to borrow money, should become bankers, and to secure this object, that no bank should be allowed to make loans to its directors, officers, or stockholders, either directly or indirectly; fifthly, that the directors and other managing officers should be personally liable for all the debts of the institution, and that the private property of the stockholders should also be holden to an amount equal to their stock; sixthly, that the power to alter and amend the charter, in order to

correct abuses, should be reserved; and seventhly, that all violations of law by the stockholders, as well as the officers, should be declared and punished as crimes; and that neither the bank, nor any stockholder, director, or other officer thereof, should be allowed to set up any violation of law as a defense to a suit on any contract of such bank, bank-officer, or stockholder.

The first point stated is substantially the basis on which the Bank of England (the first bank which ever issued notes) has always done business, and the same principle of banking is now in operation in the States of New York and Ohio. The second point is important to secure the stockholders of banks, as well as the public, against fraudulent and excessive issues; and also to guard against counterfeits. This provision also is in operation in New York and Ohio, under their general banking laws. The third point seems absolutely necessary to secure at all times the redemption of bank-notes in gold and silver; and notwithstanding the opposition of bankers, it appears to be increasing in importance in the public mind. As to the fourth point, the case of the late United States Bank of Pennsylvania, as well as of numerous others, has created a very general impression in this country, that the payment of the capital stock of a bank in coin, to any amount whatever, affords but little security to the public, if the directors and officers of the bank can take it half or all out again, in the shape of loans to themselves; that when the directors, managing stockholders, and officers, have thus loaned to themselves perhaps two or three times as much as the amount of their stock, it is often for their interest to have the bank fail, and its notes depreciated, to enable them to buy them up at half price, or less, and apply them in payment of their own obligations; their indirect gains by such failure being much greater than the loss of their stock. To allow speculators, as well as business men who want money, to manufacture paper-money at pleasure, and loan it to themselves, presents too many, and too great temptations for over-issues, and improper loans, to be consistent with a sound currency, and the security and safety of the public. The fifth and seventh are also important, to deter selfish and cunning men from attempting to make bank-paper an instrument to defraud the public; and also to prevent them from setting up their own violations of law, to defeat the honest claims of their innocent, confiding, and deluded creditors. But what appears to me equally as important, and perhaps more so, than any of the points above named, is a radical change in the mode of electing directors, so as to give all the stockholders a fair voice in the election of directors, and the management of the bank, and not allow a few, who own a majority of the stock, to combine together and control the whole, for their own private advantage, regardless of the safety of the public, and of the rights of the other stockholders.\*

It is very difficult to sustain banks in agricultural States, against which there is a constant balance of trade; but very easy to sustain them, with ordinary prudence and good management, in manufacturing States, in whose favor there are generally heavy debts, as well as balance of trade. Hence the necessity of greater checks, and greater prudence in the former than in the latter.

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\* See chapter V. section 9, where this subject of elections is discussed.

## Art. III.—ADMIRALTY LAW—ITS HISTORY, &amp;c.

THE admiralty law of the United States, in its theory and practice, has received less attention, considering the intimate relation it bears to the commercial interest, than any other branch of our jurisprudence. In New York, where a greater number of admiralty cases are tried than in any other Atlantic city, probably not over fifty of the sixteen hundred resident lawyers pretend to practice in the court having original cognizance of this class of cases—many of these appearing there but seldom, while the greater portion of the practice is confined to one-third of that number. This is also true of the profession in England. Chief Justice Abbott, in the preface to his valuable work on the law of merchant ships and seamen, mentions, with surprise, the fact that no English lawyer, since the first publication of the work of Molloy, which was a century and a half ago, had written on the subject treated in his book. Mr. Benedict, in his treatise on the American admiralty, observes that “with the exception of a few lawyers in our large commercial cities, the whole bar make no secret of their ignorance of this branch of legal learning.”

While these remarks are true of the legal profession, they apply with force to that large class of merchants engaged in foreign commerce whose transactions and property are the peculiar objects of admiralty jurisdiction, and who, it would seem, should be induced, from motives of pride as well as interest, to acquire a knowledge of the history and peculiarities of that system of regulations which is the especial guardian of their rights—a system which refers to the necessities and the very discovery of navigation for its origin, and which, as Sir William Blackstone wrote of the darling of his affections, the common law, “is built upon the soundest foundations, and approved by the experience of ages.”

Since the publication of Justice Abbott's work, however, the bar and bench in England and in this country have taken the subject more seriously in hand, and on both sides of the Atlantic books of much merit have appeared, discussing the law, the jurisdiction, and the practice of admiralty courts. Notwithstanding this, the student continued to encounter obstacles in the pursuit of this department of law which obstructed his progress in no other. In acquiring a knowledge of its widely scattered principles he was left to voluminous commentaries on general law, and to translate the earlier treatises from foreign languages. In addition to this, and owing to causes which we shall have occasion to notice, the jurisdiction and practice of the admiralty courts presented questions of much controversy and doubt in the United States and in England.

A volume\* has recently appeared calculated to obviate many of these difficulties, and to call more general attention to a much-neglected but deeply-interesting study. Its author is a member of the New York Bar, at which he has practiced for many years, devoting himself particularly to those branches of commercial law embraced within the jurisdiction of the Federal courts. In this, essential service has been rendered to the student and practitioner, as well as to admiralty law and general truth.

We propose offering some reflections upon the leading points of the vol-

\* The American Admiralty—Its Jurisdiction and Practice, with Practical Forms and Directions. By ERASTUS C. BENEDICT. New York: Banks, Gould & Co.

ume alluded to, with such considerations of a practical nature as may be suggested by them and the subject generally, and in such a manner as to give them interest with the general reader.

It is needless to dwell upon the importance which the sea, the lakes, and other water communications have sustained as instrumentalities in the growth of nations. In order to render the water which covers so large a portion of the globe available, energies which otherwise could have no field for their exercise were brought into requisition, and a new species of property was created, which had but little connection with the land. A ship, plowing the trackless ocean laden with the products of different climes, is the emblem of that new interest, which, directing itself at first to conquest and afterward to peaceful discovery and commerce, has come at last to embrace all others in its comprehensive designs.

As an incident to this new employment of nations there arose customs and regulations peculiar to the sea—to the property, the rights and duties of persons employed in navigation: these differed as widely from those found necessary in controlling other interests as the ocean differed from the land. The sea, freely embracing all countries alike, and affording equal advantages to all, impressed a peculiar character upon the transactions and the property connected with, and the being devoted to, its service. These usages affect the mutual relations of the vessels of different nations meeting upon the highway of the world, and determine the rights and liabilities of those who build, own, or navigate ships, and of those who sail in them or use them for any of their manifold purposes.

The maxims of reason or policy which at first grew out of, and afterward, in the progress of organized society, came to control the ordinary industrial pursuits on land, resulted from the peculiar character and condition of each people. Each State required municipal establishments adapted to foster and control its own local interests; while all nations have found the same or a similar system of regulations necessary for their mutual protection, in treating and trading with each other. Many of the customs, upon which these regulations rest, are as old as commerce itself, having accompanied navigation throughout its history—conforming to its character, and regulating its course. Wherever navigation exists, these are known, forming a part of the jurisprudence, extending over every sea, and requiring the application of such comprehensive principles of justice and equity as are suggested by the common necessities, and tend to the common benefit of all nations. In their idea and scope, therefore, they are everywhere the same. Originating in the voluntary compacts entered into by merchants, and grounded in the law of nature and of nations, they are universally received as representing, in the most perfect manner, the peculiar interests connected with the employment of ships, and as embracing the general commerce of the world within the compass of their comprehensive jurisdiction. These usages, many of which relate back to the ancient regulations of Rhodes, and of the ancient maritime nations of Southern Europe, having been recognized as authoritative by the wise legislators of succeeding times, and having received amendments and alterations as the interests of navigation multiplied, finally resulted in a distinct code, known as that of the sea.

This body of laws, deriving its most ancient ordinances from the celebrated Rhodian code, enacted nearly a thousand years before Christ, and the remainder from the enlightened policy of the sovereigns of ancient and modern Europe, who have been ambitious to acquire the commercial or military

dominion of the sea, has come to be binding in all civilized countries, and to afford the ground for a peculiar jurisdiction.

In order to form a distinct notion of this peculiar system of law which has thus grown up in the progress of navigation, as well as of the structure and utility of the tribunals to which it has given rise, it will be necessary to refer to the two great originals of law, which, having their foundations in different interests, and proceeding upon different grounds, have extended themselves to all parts of the civilized world, influencing each other, and appearing everywhere in one form or another, as parts of the organization and protection of society. They are what are termed the *common* and the *civil law*. These differ as much in their spirit and mode of administration as do the distinct interests upon which they were founded. The former had its origin in the rough customs of our Saxon progenitors, when passing from barbarism to a condition of unnatural refinement, when agriculture was honorable, and navigation and commerce were despised; the latter among the enlightened nations of Southern Europe, under the enterprising spirit of the Roman people, and at a much earlier period when conquest, discovery, and commerce were the chief concern. The one, in its idea, is the law of real property, and prevails throughout the British Empire and the countries where the English language is spoken; the other, of personal property, of trade and navigation, which, upon the overthrow of the Roman Empire, was received by the Gothic invaders, and thus came to be the *type* of the laws of the kingdoms on the continent of Europe, and of their American dependencies. The French, Spanish, and Portuguese colonies in America, and the States which grew out of them, adopted the civil code, while those of England retained the spirit and letter of her favorite common law. The civil law consisted, originally, of the judicial decisions of the Roman senate, prætors, emperors, and lawyers. These were made upon the broad basis of natural justice, and to meet the circumstances of each particular case. Questions, as they arose, were not disposed of by referring them to the artificial classification of some arbitrary statute, but by applying to them, in full view of their general relations, the sure tests of right reason and enlightened conscience. They were made in the tribunals to which the Roman suitors went as to the *confessional* of their church; to which is to be attributed their acknowledged simplicity and pervading equity, as well as the fact that they survived the decay of the empire, and have come down to us constituting the basis of much of modern jurisprudence. In seeking an apology for the common law of England it would be necessary to trace it to its source among the arbitrary establishments of the Feudal barons. In this search, little would be found to convince the common sense of mankind, at large, of the wisdom of its peculiar regulations affecting real estate, or of the necessity of that complexity of detail by which this law is throughout encumbered: artificial in its beginnings, through all its history it has exhibited a want of the adapting power, simplicity and equity of the Roman code. The common law rests upon arbitrary enactments, while the civil law is founded in reason and necessity. Local expediency dictated the former—abstract right the latter. The one can only be studied in its history—the maxims of the other appeal with equal distinctness to the understandings of men in all ages.

These two great originals, for the most part at war with each other, have passed to every country where law is known, each in its own way protecting and controlling industry; one owing its existence and extension no less to a certain adaptation to agriculture and the arts than to that veneration

for all that is peculiar to its history, characteristic of a people "whose morning drum-beat follows the sun in its course;" the other to the growth of trade, commerce, and navigation, with which it is inseparably connected, and, in meeting the necessities of which, it has acquired practical simplicity and masculine energy.

That system of regulations which claims, as its appropriate jurisdiction, control of the transactions arising from navigation and commerce upon the high seas, and known as *admiralty and maritime law*, derives its idea and institution from the *civil code*. They are the same in their origin, spirit, and method of administration. Although the power of Rome upon the sea was military, rather than commercial, yet it was the commerce of the opulent trading cities of the Mediterranean which supplied her with the means of carrying out her purposes of conquest. In the protracted wars waged for eleven hundred years by the Roman emperors against the power of Carthage, the motive was to conquer and appropriate the rich fruits of Phœnician commerce; it was the *commercial*, and not the *physical* world which Rome sought to overcome. Though affecting to despise traffic herself, her glory rested upon it; and her statesmen discovered, though too late for the preservation of the empire, that its spirit was one of peace, and not of war. While despising it in its practice, no nation ever reaped so abundant a harvest from it, or brought a greater degree of wisdom to bear upon the development of its theory. At the same time that her treasury was being filled with the confiscated wealth of other nations, her law-givers were enriching the imperial code with the maxims of prudence and wisdom which had elevated the flourishing cities against which her military power was directed to the pinnacle of prosperity. Her generals, like those of Napoleon, were taught to consider the arts and sciences of the people they conquered not the least valuable trophies of victory. In this manner the arts of *trade, architecture, ship-building, and navigation*, which had already attained so high a degree of perfection in the cities settled by Phœnician merchants, came to be known to the Roman people. Particularly was the Roman jurisprudence profited by the usages received from the Carthaginian and Rhodian ordinances affecting navigation, many of which remain to this day unchanged, as the most unquestionably beneficial of the rules forming our modern *admiralty law*. Azuni, in his history of the maritime law of Europe, says:—"It is not without reason that Florus calls the inhabitants of Rhodes a *nautical people*, and that Eusebius terms them the *masters of the sea*; for the naval laws they promulgated are so full of wisdom and equity, that they have served for the maritime law of nations throughout the whole extent of the Mediterranean. Rome respected them, following a wise practice of adopting whatever she found excellent among foreign nations." Tyre, Ægina, Crete, Rhodes, Persia, Greece, Macedonia, Egypt, and Carthage, all of which in turn claimed the empire of the sea, which they covered with their fleets, either transmitted or yielded up to her something of the spirit and practice of maritime commerce. This spirit successively elevated them to their lofty position of refinement and power, while its abuse brought Rome to her fall, and the practice, which was made up of the rules and usages of their merchants and mariners themselves, is not the least satisfying proof of the commercial enterprise of the renowned colonies of Egyptian origin.

The jurisprudence of the Romans, thus embracing the customs and regulations of periods as truly commercial as any others in history, was the great fountain of admiralty law for the nations that succeeded them; for Pisa, Ve-

nice, and Genoa, the splendor of whose naval achievements lights up the gloom resting upon the middle ages.

Upon the revival of learning, the invention of the mariner's compass, and the discovery of America, gave a new impulse to commercial pursuits, and created a demand for all the experience and wisdom of the ancients, in order to establish upon a permanent basis the interests gaining strength under the inspiration of great discoveries. The nations on the continent, actuated most by the new spirit of improvement, now turned to the Roman code with increased veneration and respect. They discovered in it all those equitable maxims necessary for the protection of industry. They considered it as the embodiment of political sagacity; as the safe standard of right reason; and in delineating the principles of natural justice, as well as in interpreting their positive institutions, they resorted exclusively to the Pandects, the *Novelæ* of Justinian, the *Institutes*, the *Theodocian Code*, and to the compilations of the emperors succeeding Justinian, and which constituted the body of the Roman law. This was particularly true of the emperors of Germany, whose highest pride was gratified in being recognized as the successors to the Roman power in the West—as the high-priests into whose hands had passed the ark of Roman politics and law. The imperial code thus came, and has continued to be, the common law of the continent of Europe.

Though at the close of the middle ages considerable attention in England was directed to the study of the civil law, through the writings of Fleta, Bracton, and Glanville, who entertained for it the most profound respect, yet the municipal law soon expelled it from the island, as a foreign system, incapable of being engrafted upon the local institutions. The universities of Oxford and Cambridge, which had constituted the asylum of the civil law in the island, and which were sustained by the choicest talent in the kingdom, had to surrender their influence to the *inns of court*, and to the seminaries of common law, to which they gave rise. To these antagonistic establishments, and to the spirit of jealousy which they fostered throughout the empire, is to be traced that long controversy, which, to this day, characterizes English jurisprudence, and that hurtful spirit of rivalry which has followed the history of their civil and common law tribunals.

*Admiralty law*, deriving its origin, most of its maxims, and all of its spirit and forms, from the Roman civil code, has followed, in all its progress, the fortunes of the latter. On the continent of Europe, the exclusive authority of the peculiar tribunals through which it was administered, over the transactions and property connected with the commerce of the seas, has never been called in question; on the other hand, it has ever been considered a rightful and indispensable jurisdiction. In Great Britain, and, to some extent, in the United States, it has been left, like the uncertain element upon which its authority terminates, to follow the restraints of a more popular establishment; in both, it has shared the vicissitudes of the equity jurisdiction generally. In England, from the establishment of the admiral's authority, in the beginning of the fourteenth century, until the institution was nearly demolished by the attacks made upon it in the sixteenth and seventeenth centuries, the changes to which it was subjected were no less numerous and radical than those which during that period effected so great a revolution in the equity branch proper of English jurisprudence. As under the Roman emperors, centuries before, a distinction existed between *law* and *equity*, without any separate judicial organization,

so in England, previous to the reign of Edward I., authority upon the sea was distinguished from that on land, though there was no separate delegation of authority.

At the beginning of this period, we find the *chancellor* in possession of supreme *equity power*, and the *admiral*, a Saracen term, signifying governor of the sea, the great naval officer of the kingdom; both were of the greatest dignity, exercising despotic power in connection with the king. Between them was divided the equity power, the *jus prætorium*, or discretion of the prætor, as distinguished from the *leges*, or standing laws of the Romans.

Notwithstanding the early settled prejudice of the English against the encroachments of the civil law, from reasons of controlling necessity, they became subject, in a great degree, to the authority of the jurisprudence they affected to despise. The chancellor and admiral, the one upon the land and the other on the ocean, made the civil law their model, and in their determinations proceeded according to its method and spirit. As it was the office of the chancellor to supply the deficiencies and mitigate the severities of positive law, so it was of the admiral to superintend the naval establishment by providing such regulations as would not follow in the rigid course of the common law, and as were alone adapted to that establishment. By whatever names he was at first known, whether *admiral*, warden of the sea, captain of seamen, or any of the numerous titles given to him in different maritime countries, though it was his province to decide all questions arising in the employment of ships, his command was strictly military. In theory, the sea coast was the boundary for the jurisdiction of the courts of common law, and the commencement of that of the admiral; if a transaction occurred *without* the body of a county, or in connection with a matter *essentially maritime* in its nature, it was cognizable in the court of the admiral, or, technically, in the *admiralty*; if *within* the body of a county, or in connection with "*land matters*," at *common law*. This distinction, which was established so early, and which has continued throughout the history of English jurisprudence in connection with the question of the jurisdiction of admiralty courts, is yet retained in the suggestion of the pleadings used to allege that jurisdiction—"within the ebb and flow of the tide, and within the admiralty and maritime jurisdiction of this honorable court."

It is in the highest degree interesting to follow out in English history, the successive modifications which resulted in the transfer of the admiral's authority to regularly constituted judicial tribunals, in which that ancient undisputed governor of the sea came to occupy the position of a subordinate officer. In these changes we are led to the central idea of progress and development which has been the life of English institutions. We see civilization overcoming the lust of a nation for military and naval conquest, and introducing a love for commerce and peaceful industry. In the establishment of the offices of chancellor and admiral, we discover the avenues through which the civil law with its long established maxims of justice and equity was introduced to the observance of a barbarous people. We see the equity jurisdiction proper, following close upon the footsteps of the common law tribunals, by degrees softening their asperities, until finally having attained equal influence, it preserved its identity on the ground of the policy, if not necessity, of a distribution of judicial labor; influencing and being itself affected, it imparted life to the determinations of positive law, while it received, in turn, form and practical power.

The irresponsible authority of the admiral come thus to give place to the

*admiralty court*, a tribunal of the greatest importance, sitting in judgment upon the vast interests connected with navigation. Though from the beginning, the idea of this institution was obnoxious to the officers of the municipal courts, it, nevertheless, acquired an expression, in one form or another, in every period of English law, as an independent feature of the judicial establishment. This court, in its *idea*, in the ground of its determinations, in the measure of its jurisdiction, and as to the objects upon which its authority terminates, is not, to the same extent as others, the slow growth of time and circumstances. As a vessel, though modified in form, passes through the waves now in virtue of the same physical adaptation as it did centuries ago, so the peculiar authority of which that vessel is a token, and which is now vested in the admiralty courts, has its sanction in the same necessities which introduced the "*jus pratorium*," and the consul of the Romans, and the creation of the offices of admiral and chancellor in the infancy of English law.

We find the admiral, in the sixteenth century, in possession of an authority as broad as the ocean, and as peculiar as the interests that had grown up upon it; he defined all contracts, settled all controversies, and sat in judgment upon all crimes connected with the commerce of the seas and the employment of ships, as well in time of peace as of war. Though before this, and from the time of Richard the Second, it had all along been an object of jealous scrutiny on the part of the common lawyers and judges, it continued in possession of its venerable jurisdiction, and in the exercise of its peculiar authority, until, under Lord Coke, that jealousy succeeded, through the influence of this great jurist, in depriving it of many of its distinguishing features as an independent tribunal. Becoming subject to the prohibitions of the courts of common law, its authority came to be as uncertain as their caprices; fettered by arbitrary restrictions, its utility was lost sight of in the desire for power which actuated those courts in wresting from it much of its freedom and energy.

During this controversy the vice-admiralty courts were established in the American Colonies, where, of course, they could expect no better fortune, while a part of the English admiralty, and existing in connection with the ancient rival which carried to the New, all the prejudices it had matured in the Old World. It must be admitted, however, that the royal commissions through which they were constituted, involved a delegation of the powers most essential to them as admiralty courts; and that, had the object of these commissions been fully realized, the consistent advocates of the admiralty prerogative could have asked but little more.

Previous to the adoption of the Constitution of the United States, the commerce and the shipping interest had not attained that character, which, since that period, has attributed importance to all the subjects relating to the American admiralty. In the Constitution, the judicial power of the United States was declared "to extend to all cases of admiralty and maritime jurisdiction." The phraseology of this grant, though it would seem to be sufficiently comprehensive and determinate, was made an occasion for a difference of judicial opinion which has continued to be greatly embarrassing. Since the adoption of the Constitution, the controversy in this country has terminated upon a construction of this provision bestowing admiralty powers upon the national judiciary. What is the limit of the grant? What *are* "all cases of admiralty and maritime jurisdiction?" These questions involving the repose of the most important tribunals of our country, have re-

ceived different answers from the ablest jurists presiding in them, and are not yet settled, although a greater uniformity of opinion prevails, than at any former period. On the one hand it is urged that "all cases of admiralty and maritime jurisdiction" include those, only, which the vice-admiralty courts of the colonies claimed cognizance of; and on the other, that they embrace all that *such courts* of right *ought* to hold jurisdiction of. Those who have adopted the former construction, are of the class, who, adhering tenaciously to the course of the common law, have come to view the admiralty court as a fact of the past—as a relic of the barbarous institutions of the ancients; at best, assigning it a limited jurisdiction over a small class of unimportant cases, arising under the relations existing between the persons directly employed in the service of ships. These owe their prejudice to the jealousy so strong, and at the same time so unaccountable, on the part of the English courts of common law, which was incorporated into the writings of the judges who presided in those tribunals, and which has been perpetuated here, for the most part, out of veneration for those with whom it originated. Those who advocate the latter construction, claim to discover in the navigation of the seas the permanent grounds of a peculiar jurisdiction, which has been known through all past time as *admiralty and maritime*; and that this embraces every matter and thing *directly or necessarily connected with the employment of ships as instruments of commerce*. They claim this to be the ancient and rightful measure of the admiralty prerogative, and that the grant to the federal courts contemplated this, well understood and long established at it was, rather than the narrow boundary within which the prejudices of a powerful tribunal had temporarily confined it.

Thus the uncertainty which attaches to the course of admiralty law, under our government, is to be referred directly to that foreign controversy which, unfortunately, has followed our language, as an alloy in our generally rich inheritance of settled principles. But while this cause has rendered the authority of these tribunals fluctuating, there are others, of a local character, originating in conditions peculiar to the United States, which have had their weight; these are to be found in the peculiarities of our State and General governments, and in the circumstances of the respective districts. State boundaries, as a general thing, standing as the limits of the respective districts, the several district courts are more or less influenced by the spirit and working of State governments and tribunals; thus, the district court, for the northern district of New York, having no sea-coast proper, must necessarily possess a different spirit and practice from that of the southern district, which feels constantly the quickening impulse of growing commerce, and which, since the establishment of our government, has been employed in administering that law, an occasion for which, until recently, could have arisen under no other relations. The judges, too, appointed from States more or less favorable to the civil law, must enter upon the discharge of their duties better prepared as to prejudice and discipline, than such as are selected from the ranks of those whose sympathies run exclusively in the current of the common law.

Another ground for this uncertainty, important in itself, though growing out of those already stated at length, exists in the want of convenient practical treatises in which the principles and practice of the law are methodically arranged. Although as we have seen, a tribunal possessing admiralty and maritime jurisdiction, has existed as a function of the judicial establishment of every commercial nation, it has come down to us in want, not only

of a conceded jurisdiction, but of a uniform and settled practice. On the one hand, the measure of its authority, as to subject matter, is questioned; and on the other, its rules of procedure continue, to a great extent, unwritten—existing for the most part in the mind of the court and of a few practitioners. Thus it is, that while all nations, possessing maritime influence, have attained it through the protective policy of admiralty law, with its venerable and equitable provisions extending over the sea, the extent and method of its application are discoverable only through a toilsome balancing of conflicting judicial decisions which stand of record “as the evidence of things not seen.” While this may be regarded to a considerable extent a condition of that system which depends upon equity with its adapting spirit, yet it would seem to be reasonable that the machinery through which the principles of admiralty law are applied, should involve the practical uniformity which characterizes the principles themselves.

But this question remains—can the jurisdiction of the American admiralty be freed from the vexatious controversy it has inherited from its English ancestor, and which has been revived here, where it requires all the freedom possessed before the encroachments of feudal institutions, in order to foster a commerce for which all former time furnishes no parallel? Can the law overcome the prejudices by which it has been so long encumbered? Can its jurisdiction be established on a firmer basis, and a more general interest be engaged on the part of the profession, merchants, and the intelligent of all classes, in extending a knowledge of, and respect for, this salutary system?

These questions are answered nowhere so fully as in the work to which we alluded at the commencement of this article. Mr. Benedict approaches the subject of jurisdiction as an *American*, and not as an *Englishman*; and writes as though impressed more by the necessities and destiny of the commerce of his own country, than by a blind veneration for that peculiar English construction, for which another motive is to be assigned than one originating in settled conviction. His object is to determine what this should be through a diligent survey of the history of admiralty law, and an inquiry into the necessity and ground of its establishment. Prophecy for the United States a future of gigantic commercial achievement, and discovering in the simple, speedy, and equitable action of these courts, as they originally existed, the surest pledge for the realization of this prophecy, he claims for them their ancient measure of jurisdiction, through a liberal construction of the constitutional grant of authority. He shows that the Constitution could not have contemplated, in the phraseology of that grant, the circumscribed limit of the English admiralty, nor yet that larger measure allowed to the vice-admiralty courts previous to the establishment of the Federal government; and while he would be satisfied with the extent of the prerogatives prescribed in the commissions to the latter, he repudiates every standard, *as such*, save that recognized by the most commercial nations of ancient and modern times, and suggested by the immemorial and manifest interpretation of the phrase, “*admiralty and maritime*.” In advocating what he terms the American view of the question, he holds that the words *admiralty and maritime*, in the grant, “relate simply to the subject matter, and were used in that general sense which embraces all those cases which arise under the municipal maritime regulations of each nation, and those which arise under the general maritime law;” and that by “all cases affecting ambassadors and other public ministers and consuls,” and “all

controversies between citizens of different States, and all cases in law and equity, arising under the Constitution," is meant to be involved a most comprehensive delegation of jurisdiction to the Federal courts, the right view of which should not be influenced by any foreign interpretation. It is made clear that these courts should have cognizance, in their admiralty and maritime capacity, of so much of all this as relates to navigation and commerce, without reference to the question whether a *tide*, or fresh or salt water, exist in connection with the matter in controversy. He argues that the fact that a particular contract was consummated upon the high seas, or in the term used to charge jurisdiction, "within the ebb and flow of the tide," can no more bestow that jurisdiction, when the contract does not relate to navigation and commerce, than the fact that another contract, which does hold such a relation, can deprive it of jurisdiction, though it may have been effected a thousand miles inland.

In this view, our bays and harbors, our inland rivers and lakes, furnish as legitimate a field for admiralty jurisdiction as the open sea, with its tides and salt. The policy, no more than the right, to this extension, can be doubted. A quarter of a century ago, Judge Story, in view of the rapid growth of the shipping interest on the western lakes, considered it a matter of expediency, which would, sooner or later, force itself upon the consideration of Congress. Since then, the commerce of the western lakes has increased an hundred fold, and with this increase has come the necessity which the distinguished advocate of the admiralty prerogative in America, predicted. The tonnage of the ports on the western lakes amounts to nearly a fourth of the registered and enrolled tonnage of the port of New York; an amount greater than that possessed by the greatest maritime nation of antiquity.

Shall this great interest, forming so important an element of our national wealth, be deprived of that equitable system of regulations, which the commercial experience of all nations has proved to be so salutary? Shall the countless sails that whiten our inland lakes and rivers, be separated from the fostering care of their appropriate legal protection, only because the waters lack the brine and the tides of the sea? Let no mistaken policy, or groundless prejudice, in answering these, impair the prospects of the mighty West. There would be no danger, if merchants and the profession would examine the subject in its bearings, and in the spirit of candor, and with the industry of the author of the work under consideration. With him they would look on a ship, on whatsoever waters she may float, as the great agent of commerce, and as the point of departure for the jurisdiction of admiralty law; and they would comprehend the policy of allowing the constitutional provision of which we have spoken, to attach to that jurisdiction every matter and thing necessarily connected with the vessel, under the idea of *navigation and commerce*; including the building, outfitting, furnishing, navigating, and repairing of ships; the acquiring of property in them; the conveyance of passengers; the carriage of goods; together with an almost infinite variety of others growing out of the manifold relations connected by maritime principles with a vessel, and which, though often times discoverable only upon a discriminating application of these principles as the "animate or inanimate" agents of commerce, are yet found to be the proper objects of admiralty jurisdiction alone. The vessel herself becomes the standard to which all questions are to be referred.

If the jurisdiction of the American admiralty shall ultimately find permanent repose upon this basis, with the intelligent sympathies of merchants

of the profession in its favor, incalculable benefit will result to the nation. Who can calculate the value of our commerce? We owe no more to commerce than commerce owes to the fostering care of admiralty law. France owes everything to her commerce, and her commerce everything to the maritime ordinances of Louis XIV.

A ship has always been considered an object of the most enlightened curiosity; and when considered in connection with the disastrous capabilities of winds and waves, which constitute alternately its dependence and peril, it becomes one of indescribable interest. When we look at her as a mechanism, the result of the united science and skill of three thousand years expended upon her under the munificent patronage of kings, we must discover in the wonderful combination of all her elements a degree of perfection which has not been realized in any other human contrivance, and constituting her the crowning triumph of art. Or if we see her in her character as an engine of war, with her hundred guns, and manned by a thousand warriors, she is the embodiment of the grand and terrible. But it is in her history, and in the character and extent of her influence as the peaceable agent and instrument of commerce, busy, for centuries past, in vast enterprises of discovery and national aggrandizement; in disseminating culture, population, and the products of industry, that a ship can be made the object of the most profitable reflections. Whether considered as bearing the timid mariner of Rhodes along the shores of his little island; or the Roman general in his bolder pursuit of conquest; or the Genoese navigator in his fearful enterprise of discovery; or those companies of merchants in general that have carried commerce over every sea; and that one, in particular, "which, commencing with a factory on the shores of India, has overthrown kingdoms, and upon their ruins cemented a splendid empire;" and when, at the same time, it is borne in mind that art, culture, and religion, have gone hand in hand with commerce, each fortified by and fortifying the other, we cannot fail to recognize in a *ship* the idea which unites all ages and countries in the same expression of progress. It was the boast of the Athenians, and the glory of their greatest statesman, that he caused *twenty new ships to be built each year!* During the last year, three times this number of vessels, with an aggregate tonnage at least two hundred times greater, were launched in the port of New York alone; and in the United States, over seventy times the number, with an aggregate tonnage one thousand times greater! Who, then, will fix a limit to the growth of this interest for the future? With the grandest commercial revolutions passing in review, and with still greater in prospect; with a sea-coast of *thirty-three thousand miles*, encircling vast unappropriated territories, yet to be planted and watered, and with a position midway between Europe and the rich commerce of the Pacific, the future growth of our shipping is manifestly beyond the power of prophecy.

In this connection, the maritime regulations, and the theory and practice of the admiralty tribunals of the United States, became of the first moment. The commerce of the States must continue to depend upon these regulations, protected and enforced through these tribunals, founded, as the former should be, upon a basis of justice as peculiar and comprehensive as the ocean, and made up of the long established maxims of equity and policy. If such regulations are to exist, it must be through the instrumentality of the tribunals, in which, as well as in the necessities of the interests they have fostered for so many centuries, the law found its first establishment. Let those, then, who have yielded to groundless prejudices, remember that they are *Ameri-*

cans and not *Englishmen*, and that, as such, they have none of the motives which provoked the hostility of the English judges against the admiralty courts. Let them rather cherish the interpretation of Justices Marshall and Washington, and of Judges Peters, Winchester, and Betts, essentially the same which is advocated in Mr. Benedict's treatise. Let them take a view of the question which is truly American, and say, with the greatest American jurist, Story:—"Whether it is fit that the admiralty jurisdiction of the United States shall be administered upon its just and original principles, or whether it shall be bound down and crippled by the arbitrary limitations of the common lawyers, it is not for me to decide. I have no desire to extend its boundaries, or by any attempt to amplify its justice, to encourage usurpation. But, believing, as I do, that it is a rightful jurisdiction, highly promotive of the best interests of commerce and navigation, and founded in the same enlightened wisdom which has sustained the equity jurisdiction through all the earlier as well as later perils, I cannot consent to be made the instrument of surrendering its powers consistently with my own conscientious discharge of duty."

#### Art. IV.—INTEREST OF MONEY.

##### NUMBER V.

STRANGE prejudices have existed, and now exist, concerning money. In the most cultivated states of ancient times, the industrious pursuit of wealth was considered degrading by philosophers. Plato represents gold and virtue as invariably weights in opposite scales. Hence he excludes commerce from his perfect republic.\*

Were I to see a man counting his money in supposed secrecy, a feeling of contempt would very probably be excited in my mind. Why should it be thus excited rather than when a man conducts me over his ample domain, and points out to me all the embellishments which his hand has scattered through it, plainly cherishing pride in his possessions, and showing a disposition respecting them closely akin to idolatry? Why is it that the monied man, so called, is always viewed by the general eye with less kindness than the owner of a vast landed estate? Questions relative to this distinction, in popular estimation, between money and other property, might be almost indefinitely multiplied, and they will appear, to one of thoughtful character, very difficult of solution. A broad distinction, however, actually exists. My readers may decide for themselves, without my help, as to its grounds.

Special odium has been, and is still, attached to loans of money on interest. The Hebrew word for interest is derived from another, signifying to bite, to sting.† In Europe, in the middle ages, and in early modern times,

\* Aristotle also considered commerce an evil. Even Montesquien has a chapter in his *Spirit of Laws* entitled, "To what Nations Commerce is Hurtful?" (L. 20, c. 21.) Raynal objected to commerce, that it produced nothing. Ransseau maintained the hurtfulness of the right of property. And even this has been surpassed by Proudhon, who asserts that all property is robbery. "Le Propriete c'est le vol."

† As the interest of money in Rome was usually paid on the Kalends, these are termed by Horace *tristes*, sad, (Sat. 1. 387,) and by Ovid *celeris*, swift, (Remed. Amor. 561.) An old English writer, Decker, in his "English Villanies," speaks of "the cold day of repayment."

to take any interest was infamous, as well as illegal. One peculiar ground of the detestation of this practice in those days was, undoubtedly, that loans were then made almost exclusively to satisfy urgent want; not as frequently (perhaps most commonly) in our time, to be invested in profitable business. This difference in the grounds of demand for money, makes it probable that in those days, extortion, real, manifest, unmitigated extortion, was much more prevalent, comparatively speaking, than in our own time.

The Old Testament law respecting usury, was, as I have before stated, considered obligatory, in Christian times, and was interpreted as prohibiting any gain whatever from pecuniary loans. It was thought to give a religious sanction to the popular odium against those who had recourse to this method of accumulating wealth. On what principles of logic such an application of the Old Testament law proceeded, it is difficult to see. By that law the Jews were commanded not to take interest from each other; but they were allowed to take it from strangers, and to pay it to them. It is a singular fact that though the divine prohibition to the Jews has been so much relied on by the opponents of freedom as to the loan of money, the Jews have, in all ages, been the greatest usurers. Were Christians to pursue a course precisely analogous to that prescribed by the Jewish law, they would only abstain from taking interest of each other, without scrupling to receive or pay it in transactions with heretics, sceptics, or pagans. But there is no reason at all for supposing the Jewish regulation of this subject binding upon us. Indeed, the circumstance that usury was prohibited only between Jew and Jew, and usually stated to be proper between Jew and foreigner, proves that it was not considered *malum in se*, an evil in itself; that the prohibition was a merely civil, not a moral one. Hence it would be as reasonable to conclude that it is an irreligious act to eat the flesh of swine or hares, because these animals were forbidden food to the Jews, as to conclude from the Jewish regulation referred to that it is sinful for modern nations to countenance loans at interest.

It is worthy of notice that the immorality of usury, or interest, has always been regarded as pertaining to the lender alone; yet, in truth, were it immoral to lend, it would also be immoral to borrow on interest. Were there any crime in the case, the lender and the borrower would be alike parties to it.

It being clear that the objection to interest derived from the interdiction of it by the Jewish law, is not tenable, I proceed to maintain that other grounds of objection, which are often assumed, are equally wanting in validity. Aristotle, as was stated in the first article of this series, thought it a good argument against interest, that money was in itself barren, had no self-productive capacity. Such an argument, however, is most absurd. Did houses ever evince this fecundity, so essential to value in Aristotle's estimation? And yet who objects to the payment of rent for their use? The reason why no one does so is, that the use of a house is valuable, although it has no such self-multiplying power. This power, in fact, belongs only to animals, and the fruits of the earth, and to those only in a particular condition. Everything but these, and these in that particular condition, would be valueless, on the principle of Aristotle; for, if their use is valueless, they themselves must be so, it being the real or supposed benefit of using them which gives them all the value they possess. Use is all that anything is good for; and to rob me permanently of the use of a thing, is to rob me of the thing itself. It is an invariable principle, that if a thing is valuable, its

use is valuable; if its use is worth nothing, it is itself worth nothing. According to Aristotle's objection, then, in the first place, all unorganized matter, not only gold and silver, but iron, lead, and other metals, precious stones of every description, marble, granite, coal, &c., &c., are totally without value; *for they are barren*. Again, vegetable substances of all kinds are worth nothing, if they have lost the vital principle on which their prolific character depends. Mahogany, rosewood, ebony, and all other woods, after they are felled, cotton, hemp, &c., in bales, flour, meal, &c., are worth nothing for any purpose; *for they are barren*. Houses, ships, railroads, telegraphs, bridges, canals, are worth nothing; *for they are barren*. Watches are worth nothing; mechanical instruments are worth nothing; furniture is worth nothing; manufactures of every description are worth nothing; oxen are worth nothing; *they are all barren*. What a principle this for a famous philosopher!

It will be said, perhaps, that there is one characteristic by which money is distinguished from commodities generally, namely; that it may be used without depreciating in value; and thus there is not so much reason why recompense should be demanded for its use as in the case of other articles. This is true; but the remarks which have just been made respecting Aristotle's reasoning are not thereby invalidated; for, in the passage referred to, he rests his reprobation of interest barely on the fact that money is barren, and not at all on the circumstance that its value is not destroyed by use. I admit the importance of this circumstance in fixing the *amount* of recompense to be received for the loan of anything; but I deny that the use of an article can be considered of *no* value, and not requiring any recompense, merely because that article is just as valuable when returned as when borrowed. If a thing have exchangeable value, the use of it must likewise have exchangeable value, whether it be injured by use or not. Were a man to hire a horse for six months, employ him constantly during that period, and at the end of it refuse to pay the owner anything, on the ground that the horse was in as good condition as when he took him, every one would regard his refusal as unreasonable. So, too, it is no good reason why he who hires a farm should not pay rent for it, that he returns it into the hands of its owner in no worse condition than that in which he received it. The occupant has had opportunity to derive from the farm a certain amount of value, and it is therefore reasonable that he who afforded him the opportunity, should be remunerated for relinquishing it himself. What would be thought of a man who refused to pay wages to those whom he employed as laborers, alleging that they were just as vigorous when they had finished their work as when they began? Would it not be said, "What you assert is true, perhaps, but these men might have worked for their own benefit instead of yours, and therefore it is reasonable that the sacrifice they have made should be recompensed."

Just so it is in the case of money. The man who lends it, parts, for a while, with the productive power or other value which it possesses, and is it not reasonable that he who has temporarily the benefit of its value, should recompense the former for his loss? I say its *productive power*, because it is certainly proper to speak of the productive power of anything by means of which production is accomplished, even though it do not itself possess such fecundity as that which Aristotle considered essential to value in use. Nails are mostly manufactured by the agency of certain machinery; and to speak of the productive power of that machinery is as proper, I suppose, as to speak of the productive power of man's labor, by which, chiefly,

nails were once manufactured; or of that of kernels of corn, from which other kernels are derived by a process of vegetation. I have spoken of "other value" of money besides its productive power, because it may be employed for other purposes than production, and possesses a value for those purposes. All its value, for any purpose, is, for a time, transferred to another by the lender.

Money will command every species of productive agency. He who possesses it, can, by a wise use of it, add to what he possesses. It is, as has been already said, the use of it which gives it all its value. If the ownership of it, which is nothing but a right to the permanent disposal of it, be considered valuable, the temporary use of it is of some value. Money will buy a farm or a house: what is the difference, then, between interest for the money, and rent for the farm or house? Money represents capital: interest is the rent of that capital. In some places money will buy a slave: what is the difference, then, in principle, between the interest of money, and the wages of labor? In fine, it will buy anything capable of transfer; for the use of which hire is commonly demanded, and readily paid. What difference is there, then, between interest and any other species of hire?

There is, therefore, undeniable reasonableness in the demand of recompense for the use of money. Ulpian, the celebrated Roman jurist, was right in saying, "The later the payment, the less;"\* a saying which contains, in a condensed form, all that can be said to show the reasonableness of interest on loans. The principle that "time is money," is applicable to this subject. To lend without interest is charity, not mere equity. It was enjoined upon the Jews by their law not to violate the principles of charity, in this respect, by any of their dealings with each other. This injunction was extended to other matters than the loan of money. "Usury of victuals," or of anything else, was as much prohibited as usury of money†. The particular prohibition, just mentioned, probably had reference to a practice which existed of lending a certain quantity of victuals, or other things, with a stipulation that a larger quantity should be returned at some future day. It was on the same principle that the beautiful precept was given to the Jews not to glean their sheaves, their grapes, or their olives, so thoroughly as to leave none behind; but to permit some of them to remain for the poor, the stranger, the fatherless, and the widow.‡ As has been said, usury of money was allowed between Jew and foreigner; but this was only when the stranger was able to pay it. It was expressly forbidden to take usury of a poor man, even though he were a stranger.§ This prohibition stands in immediate connection with an injunction to bestow relief on any such poor man, clearly showing that to dispense with usury was considered an act of charity.

What we have said indicates how irrational are the prejudices which exist against capitalists as a class. Wealth, honestly amassed, is the result of past industry and merit, either on the part of the owner, or on the part of those from whom it is inherited. The employment of this wealth in the production of new value is the most desirable disposal of it which could be made, with a view to the public welfare. This disposal of it is made by the capitalist. Instead of squandering it unproductively in the gratification of his own private appetites and tastes, he either invests it himself in schemes of enterprise, by which multitudes are supported, and not only his own, but

\* Leg. 12, ff., De verb. signif. † Deut. 23: 19; Levit. 25: 37.

‡ Levit. 19: 10; Deut. 24: 19-22 § Levit. 25: 35, 36, 37.

the general wealth is augmented, or, for a reasonable recompense, he transfers the use of it to others, who accomplish a like result. To such a man the public should be grateful, instead of regarding him askance, as one deriving an unjust revenue, and therefore deserving popular odium.

To abolish loans at interest would be to withdraw from productive employment all the capital which is owned by persons not disposed to employ it in business themselves. What a downfall of industry and prosperity would take place in every country, and especially in the countries of the Old World, were such a prohibition to be put into effectual operation from this time forward. It is not without reason that Montesquieu ascribes the wretched condition of commerce during the middle ages to the prescription of loans at interest.\* Blackstone says that "unless money can be borrowed, trade cannot be carried on; and if no premium were allowed for the hire of money, few persons would care to lend it."† At least, it may be said with truth, that trade could by no means be prosecuted to such an extent as it is at present, were it impossible to borrow money.

The exaction of high rates of interest through oppression or fraud of any description, is equally censurable with extortion in other cases of price. In this light, all prices stand upon the same ground. He who takes interest at a rate which, every circumstance considered, is exorbitant, must be pronounced dishonest.

As to *compound interest*, or interest not only on the principal, but also on the interest after it becomes due, I cannot but assent to Paley's remark respecting it:—"Compound interest, though forbidden by the law of England, is agreeable enough to natural equity; for, interest detained after it is due, becomes, to all intents and purposes, part of the sum lent.‡ Cicero informs us that when he was pro-consul of Cælia, he issued an edict that compound interest should be allowed in case of failure to discharge the interest when due.¶

Hitherto we have only considered the reasonableness of interest in general, without inquiring into the expediency or in expediency of regulating its rate. It follows, undeniably, from what has been said, that all laws prohibiting the reception of any interest whatever are grossly impolitic and unjust.

But besides those laws which pronounce all interest usury, in the odious sense commonly attached to the term, there have been, and are, other usury laws, which certainly wear a more plausible aspect, the object of which is to confine the rate of interest below a certain limit. Governments have thought it for the benefit of society that some restriction should be put upon the supposed tendency of interest, when left to itself, to rise to an exorbitant pitch, and absorb the wealth of a community. Now I maintain that the apprehension thus manifested is an idle one; and that the attempt to fix a general rate of interest by legal enactment cannot be proved to have ever resulted in any of the beneficial effects which it has been designed to secure; but that, on the contrary, it is, and must be, invariably characterized by folly, injustice, and manifold mischief. Such a position does, it is true, directly contravene the sentiments and practice of nearly every civilized nation, not only in the olden time, but the present more enlightened period. The circumstance, however, is not of very great consequence in the determination of truth on this subject. The question is not always now-a-days, nor should

\* *Esprit des Lois*, L. 21, c. 16. † *Comment*, Book II., c. 30.

‡ *Paley's Moral Philos.*, Book III., part 1, c. 10. ¶ *Epist. ad Attic.*, L. V., Ep. 21.

it ever have been, whether or no a statement contradicts preconceived notions, and accordingly is, or is not, bold, but simply whether or no it be *true*.

Boldness may be pronounced a principal part of the moral costume in which the present age, particularly our own country, is clad. It is exhibited in truth and in falsehood, in virtue, and in vice,—in fine, in everything right, wrong, and indifferent. It is a characteristic which does honor to our age and our country; for it is the main spring of improvement. Very many bold truths have been uttered among the nations, and have, in part, accomplished their mission. In small part, however; for the voice of truth, once uttered, sounds on without intermission forever, and it can never be said that its work is fully accomplished. Many more bold truths are yet to be uttered, and the minds of men are, day by day, preparing to receive them, and adjust their action accordingly, not only as private individuals, but as members of political communities. Such is the nature of truth, that, however still and small her voice at the outset, it accumulates vigor and volume in the lapse of time. It has already become trumpet-toned in some portions of the earth, and will ultimately pervade the universe with a sound like the roar of ocean; a mighty anthem, the veritable music of the spheres! The prejudices of individuals, of governments, of nations—yea, of the world, (for the whole world is undoubtedly imbued with some prejudices,) must yield before its influence. The errors which affect the civil policy of even the most enlightened nations in our own day, are neither few nor trifling. Investigation and argument, however, will disclose and annihilate them one after another; and the framework of civilized society will become more and more deserving of a moderate measure of that panegyric which is not unfrequently lavished upon it already without stint, though, in truth, almost without foundation. The laws which form the topic of this article, are, in my opinion, far from being an index of great intelligence on the part of those who enact them, or of those who assent to them. They are the offspring of darkness, not of light. Let us proceed to develop their real character with more particularity.

It is plain that a law fixing the rate of interest which shall be received is such a restraint upon the natural course of things as can be justified only by the most cogent reasons. Now it can be clearly proved, I think, that the reasons assigned want validity; that the special objects aimed at, are, in general, undesirable; that such even as are desirable, are not to be attained by the method in question; and, in fine, that the operation of the restraint is, in every point of view, evil, only evil, and that continually.

Since every species of price (interest as well as the rest) depends upon three things, *cost*, *demand*, (considered in relation to the supply,) and *security of payment*, each of which must be indefinitely different at different times, and in different cases, the complex results from these three operating principles, must, of course, be correspondently variable. It is admitted by everybody that it is in general best to leave price to find its own level; but it has been thought that the species of price termed interest might properly constitute an exception to this freedom from restraint. For my own part, however, I am unable to see the least shadow of foundation for the exception. The more I consider the matter, the more clearly does it appear to me that the price paid for the use of money stands, in the view we are now taking, upon precisely the same footing as any other species of price; that there would not be a whit more folly or mischief in a law fixing an invariable price upon flour, for instance, or any other article, than there is in a law

determining the rate of interest; nay, not so much, for this, among other reasons, that there is no one article of food with which a man cannot dispense, while to dispense with money is impossible, in civilized society. Money represents every other article, and it is, therefore, the most unfit of all to be selected as the subject of such restriction.

With a view to sustain the exception we are considering, it is often said, that *money is not merchandise*. The assertion denotes either extreme stupidity or extreme impudence. If merchandise be, as our dictionaries inform us, any *article of traffick*, we may certainly venture to regard money as merchandise, at least while the traffick in it continues to enliven our marts as it does at present.\* But we mean, it may perhaps be said, that money *should* not be merchandise. It would, in my opinion, be as difficult to prove this as that it actually is not merchandise. But if we suppose it true, it would involve more than the assertion is meant to sustain, it would prove too much for its purpose. It would necessarily follow that money ought not to be bought, sold, or hired, on any terms; while usury-laws only aim at the limitation, not the abolition, of interest. It would seem, however, that money should not by any means be merchandise, and yet that the use of the money may be purchased if the price be reasonable!

But if, say some, money be merchandise, it is unlike other kinds of merchandise. This remark is very common-place, and utterly futile. Money is, indeed, unlike other species of merchandise, and so are all other species of merchandise unlike each other. Corn is unlike cloth, and iron is unlike cotton. Before the dissimilarity mentioned can be properly alleged in favor of usury-laws, it must be shown that money is unlike other merchandise in such particular respects as make it expedient to disturb the natural course of traffick in it by means of peculiar restrictions. This has never, to my knowledge, been shown. It is true, the great *utility*, the *indispensableness* of money is frequently dwelt upon as a point of difference between it and other articles of merchandise, which makes it expedient to limit the price of its use. But, as I have already intimated, the philosophy of the matter, in view of this circumstance, seems to me to tend in the opposite direction. Shall we say that the greater the utility of money the less the value it should bear? Besides, as will be shown more fully hereafter, legal limitation of the rate of interest, so far as it is effectual, works injury to those who through sad experience feel the indispensableness of money. It narrows their resources, by preventing them from borrowing of those who are unwilling to lend at a rate of interest so low as that established by law. If money is then indispensable, should we not be careful to lay no obstacles in the way of its being diffused as circumstances require?

It is often said, that the borrower of money does not stand on an *equal footing* with the lender; and that for this reason the law should interpose in favor of the former. In reply, I remark first, that the relative condition which this argument supposes the borrower and lender to sustain is by no means universal. It is not unfrequently the case that the capitalist is at least as desirous to make loans as others to obtain them; and there is competition as to terms among dealers in money as well as among dealers in other articles. Perfect equality of footing between the buyer and seller of any article seldom, if ever, exists. The advantage, in this respect, is sometimes upon one side and sometimes upon the other; more often perhaps upon the side of the

\* Compare Art. II. of this series, in the No. of this Magazine for March, 1850, p. 276.

seller than upon that of the buyer. Still, such is the present state of affairs in civilized communities, in our own country especially, that the difference of footing between the borrower and the lender of money is much less at all times than is often thought. When the rate of interest is very high, it is usually the case that the risk of lending is proportionally great. The footing of the borrower is impaired by his unusual need of money, and the footing of the lender by the peril of loans in such disastrous seasons. Further, if the circumstance that when money is scarce (to use a brief and current mode of designating difficulty in the money market,) the borrower must endure harder terms than he would assent to in circumstances of greater independence, justifies the limitation of interest by law, then, on the same principle, the circumstance that when there is a scarcity of any article he who wants it must give an unusual price for it, will justify the limitation of all prices. There can be no escape from this inference. In truth, all that the law can do to promote equality of footing between the buyer and seller of any article is, to prevent either party from being fraudulently entrapped into a variation from the market value, whatever that may be. Usury-laws, instead of tending to equalize the footing of the borrower and the lender of money, invariably do much to increase the existing inequality. This fact will be more fully developed in the sequel.

Usury-laws are often pronounced necessary as *checks to prodigality and speculation*, and as safeguards against *improper exaction* from the necessitous or the unwary. I shall notice this particular allegation briefly here, as its futility will be clearly apparent, I hope, from the explanation to be given hereafter respecting the actual operation of usury laws upon both borrower and lender. I remark here, however, in the first place, that whatever incidental benefit of the kind denoted may be supposed to accrue to individual prodigals and speculators, or to persons in necessitous circumstances, no one can deny that it must constitute but a trifling portion of the effect produced by these laws upon the whole body of dealers in money, and can do but little to palliate their general evil influence, if, as I maintain, they do exert such an influence.

Further, I ask my readers to consider whether there is not plausible reason, in this point of view, for determining the price of all commodities as well as that of money. Prodigality, speculation, extortion, surely may and do occur in relation to other commodities besides money? And why not fix all prices in order to prevent these evils entirely? Why not fix the price of provisions, for instance, that men may not pay a high price for these, either from extravagance or simplicity, or for purposes of speculation? The market-value of provisions is perhaps less commonly and less easily known than the market rates of interest, and it would therefore seem, in this view, more necessary to fix the former than the latter.

Lastly, I deny that laws fixing the rate of interest have any influence in suppressing the evils designated. On the contrary, while inefficient to occasion good, they are also exceedingly efficient in occasioning the very injuries to individuals which they are often supposed to obviate. The correctness of this position will, I think, appear plain from what follows.

The statements made in a former article of this series as to the true theory of interest, show that it is in vain to determine its rate by law, unless the law can and does at the same time *compel capitalists to lend at the legal rate*. When the value of money exceeds the legal estimate, men will not voluntarily part with it on legal terms, any more than the owners of any other species of property will accede to offers of purchase at a price below

the market value of the property. The causes which make money worth more than the legal interest will, also, at least in general, make it worth the owner's while to embark it in enterprises on his own account, rather than lend it without an adequate requital.

There may be individual exceptions to this remark, but we are to reason from general principles, not from exceptions. Some few persons might, from their peculiar circumstances, be induced by an effectual legal limitation of the rate of interest to lend upon unfavorable terms, rather than employ their capital on their own account. This, however, would seldom be the case, for it is so easy to procure productive real estate, and to prosecute every species of business by silent partnership or other representative agency, that even though some should be unable or unwilling to devote personal attention to the particular management of their capital, nearly all these very men would decline loans at a rate much below the rate of profit in business. Thus, when the value of money is inferior to the legal estimate—that is, when there is comparatively little demand for it, there will probably be an abundance of it in the market; and when its value rises above the legal estimate, that is, when the demand for it is most urgent, the supply will be most rapidly diminishing. Can it be that enactments productive of results so evidently adverse to the first principles of political economy are of a salutary nature? The natural and most desirable course of things in regard to demand and supply is, as almost every tyro student of economics is aware, that they should keep pace with each other; and, on the contrary, the very worst course of things, in this respect, is that the one should diminish precisely in proportion to the increase of the other. Yet such is the effect which usury laws tend to produce.

The remarks just made proceed upon the supposition that the legal restriction of the rate of interest is scrupulously respected, and this not only in its letter, but in its intent. This, however, has never been the case. There never was a law devised to limit interest which proved effectual, even to any considerable degree, against transgression and evasion. The tide of of business, unnaturally pent, will find or force a channel of egress. Laws against usury are flatly transgressed by knaves, and at least evaded by men who think themselves honest. No one possessed of much acquaintance with commercial affairs will deny this statement, although the downright transgressions of law, in this respect; and, moreover, the most glaring evasions are often sedulously concealed from the general eye. Notwithstanding this frequent effort for secrecy, enough transpires to justify the conclusion that the law does nothing to prevent what is called usury. It does, indeed, compel men to resort to privacy and deceit in pecuniary transactions; but is this a result which should be earnestly desired? It is ridiculous to infer, as has sometimes been inferred, from the mere fact that the number of openly usurious contracts is diminished by the operation of law, that therefore, usury itself is on the whole diminished. While the law denounces usury, it of necessity flees the light; when no law exists against it, it is open. We are specially required to look beyond the surface of things when we wish to ascertain the efficiency exerted by laws of this nature in accomplishing their object. We must sometimes infer what is hidden from what appears, reasoning from the nature of men and things, and not trusting merely to the palpable evidence of our senses. Any man of business will testify to the ingenuity, multiplicity, and universality of the modes by which laws against high interest are evaded with impunity; to say nothing of flat, though se-

cret violations of them, which would be punished if disclosed. I would describe some of these modes were they not so generally known.

It appears, then, that usury laws would do harm, and harm only, did they compass the end immediately intended, viz: that of preventing rates of interest from being settled according to the free consent of parties. Were these laws effectual, men could not help seeing the folly of them, because they would see, if not experience, such suffering through their operation. It appears further, however, that the object intended is so far from being fully attained that it is almost entirely defeated.

In my next article, which will close this series, I propose to consider what is the actual operation of usury laws under their various bearings, seeking to combine in one view their inherent mischief so far as they are effectual, and the influence of their failure to secure observance. It may be made clear, I think, that these laws are just so far effectual as to occasion all the mischiefs of restriction upon business, and at the same time just so far violated as to render completely abortive all the purposes with which they were created, and to produce additional mischiefs.

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#### ART. V.—THE RAILWAYS OF MASSACHUSETTS.

BELGIUM, the ancient center of commerce and arts, has acquired great reputation by her system of railways, which open to her commerce the interior of France and Germany, and connect her cities with the sea. But when we compare her railway system with that of Massachusetts, less than four hundred miles, with more than one thousand; when we consider that Belgium has four millions of people, and thirteen thousand five hundred miles of surface, while Massachusetts has a superficies of seven thousand miles, and less than one million of inhabitants; when we reflect that the former has devoted to railways her public credit and revenue as a sovereign State, while the latter has relied principally on private enterprise; that the one State was enriched by the slow growth of centuries, and a cultivation carried to the highest point on an alluvial soil, while the other is comparatively young, rough, and sterile, the achievement of Massachusetts is still more striking.

This railway system presents two aspects to the philosophic mind:—

First. Its effect upon the country.

Second. Its results as a pecuniary investment.

When judiciously conducted, its effect on a community is almost electric; creating new value, giving a new impulse to industry and wealth, and promoting social intercourse. These are primary objects. To effect these, the State delegates its power to companies, and constitutes them its trustees; clothes them with its right of eminent domain, and power of collecting imposts, with a right to determine the hours and manner of traveling.

Attention to the great interests of the State is essential to the security and well-being of a railway; is a duty to the power from which it derives its being; and it may be laid down as a cardinal principle in the government of railways, that the public welfare is not to be disregarded.

When railways were first opened in Massachusetts, immediate results were first regarded; high charges were established; but, of late years, after some significant hints from the State, moderate tariffs have been adopted, and immense benefits conferred.

The census now in progress will show a growth in Massachusetts, in the last decade, without precedent in her history. She is no longer an emigrating State. Her population has increased 45 per cent, and her valuation at least 65. While the inhabitants of Boston and her environs, at the center of her railway system, have grown 70 per cent in numbers, and 100 per cent in wealth, in the same brief period.

When we view these railways in their other aspect, as an investment, the results have far surpassed those of Belgium. The whole investment yields larger returns than the average of capital, and promises a future growth and stability.

At the commencement of 1849, the entire investment in Massachusetts, in nine hundred and forty-four miles of railway, was \$40,941,676; which produced, in the twelve months following, a net income of \$2,850,981; or, in round numbers, 7 per cent on a capital consisting in part of bonds issued at 5 and 6 per cent.

While the investment, as a whole, has produced such returns, individual lines have, of course, varied in success, and occasional errors been committed.

The success of routes judiciously chosen and well managed, with great local resources, have, of course, started others of inferior capacity. Iron and labor have fluctuated from 50 to 100 per cent. New cities have sprung up at some points, and great water-power been temporarily neglected at others. New lines have been opened; the routes to New York multiplied from one to four, and the lines to Portland and Burlington, from one to two or three. The villages and cities without railways have found they could not exist unless rails were laid down to them. And gradually railways have increased until they are, on an average, but seven miles apart.

Where their progress has been rapid, they have sometimes diverted direct from other lines more than the local growth has replaced, and so strong a demand has been made on capital as to raise the rate of interest, and swell the cost by sacrifices upon the debt. This was to be expected, for it was a necessary consequence of great prosperity.

From the spring of 1843, to the winter of 1847, was a period of activity in Massachusetts. Commerce, shipping, factories, and railways, gave large returns. Great outlays were made on vessels and buildings; the people were in motion, and vast quantities of materials transported by railways. The tariff of 1846 gave some check to the manufacture of iron, wool, and cotton; but much was in progress, and two-thirds of the manufactures of the State still flourished.\* The famine of 1847 brought in gold for breadstuffs, and the wealth accumulated sought investment. Dividends were large. Railway stocks popular, and new railway enterprises were begun. Boston followed with an aqueduct to cost five millions; the United States with a popular loan: and it has been estimated by judicious men, that Massachusetts embarked, in 1846 and 1847, in new enterprises to the amount of sixty millions.

It soon became apparent she had overtaken her strength. For two years, money rose to 15 per cent; stocks became depressed; the banks protected the trader; the capitalist suffered; but energy, frugality, and perseverance, have, as usual, triumphed. Money has fallen in value, and this autumn will bring nearly all her new enterprises to completion.

\* The manufacture of boots and shoes, of wood and miscellaneous articles, form nearly two-thirds the manufactures of Massachusetts.

Some of the old lines out of Boston also were overwhelmed with business in 1846 and 1847, and made commensurate dividends. Animated by an increase of 30 to 50 per cent in a single year, they made large purchases of land, constructed new stations, branches, and second tracks, and incurred large liabilities. But with 1849 came sickness, and a falling market. Building and trade were checked, and traveling curtailed. New lines languished, and with its close came a large increase of railway debt, sacrifices to fund it, and a check to the growth of income. The growth of the capital had been more rapid than the increase of trade.

With the pressure and disappointment came also, in natural course, a disposition to censure, and a strong desire to curtail expenses, and to increase income; and various companies appointed investigating committees of new men, not remarkable for railway experience.

In the mercantile world, the great specific for profits is an advance of prices. If the merchant can sell at an advance, his profit is certain, and this is the first remedy which occurs to merchants for a railway; but it is by no means infallible; for as certain branches of trade are sometimes lost in a rise of prices, so high charges often deter traveling, or throw the traveler into other channels. Steamboats, wagons, gigs, and other routes, come in competition, and sanguine hopes of gain are often demolished. Men grow wise, but as they pass from the stage, novices succeed and try the experiment over; but the constant tendency of our lines is like that of the Erie Canal, to moderate prices, generally followed by a growing net income, checked only by excess of construction.

In the August number of this Magazine is a communication over the initials of D. M. B., on the management of railways. The writer has fallen into some natural and prevalent errors, obviously from a want of familiarity with the subject. It is not surprising that gentlemen who have not been connected with the direction, should arrive at erroneous conclusions as to railways; but it is due to the public to notice them, when they appear on the pages of an influential journal.

The writer remarks that the net income of railways in Massachusetts has declined in the last four years, and ascribes this decline to the reduction of passenger fares. But the tables to which he refers, page 190 and 192, negative this opinion, for they exhibit the *net income* of Massachusetts railways as follows:—

	1846.	1847.	1848.	1849.
Net income.....	\$1,945,595	\$2,592,079	\$2,666,411	\$2,850,981

And the passenger income as follows:—

	1846.	1847.	1848.	1849.
Passenger receipts.....	\$2,018,163	\$2,509,784	\$2,849,722	\$3,035,691

These tables, in the face of reduced charges, give us a growth of both net income and passenger receipts, in three years, not far from 50 per cent; an increase nearly, if not quite, commensurate with the increase of miles of railways; and this, too, although many new and branch lines run to small villages. The tables, if they prove anything, prove the reverse of his proposition.

It is doubtless true that the net income per mile run was 83 cents in 1846, and 75 cents in 1849; but the reason of this is obvious. More miles were run. The new lines and branches through less populous districts, call on new trains, less patronized than trains on the old lines, and thus reduce

the averages. New and competing lines to distant points demand express, in addition to regular trains, and thus divide the traffic; while the aggregate, and net results are still progressive.

But the writer cites the Boston and Lowell report to fortify his opinion, and gives us a fact, which, "solitary and alone," might sustain his theory. The fact that the Boston and Lowell passenger receipts have been as follows:—

	1844.	1845.	1846.	1847.	1848.	1849.
Receipts.	\$165,224	\$176,951	\$185,235	\$209,612	\$201,219	\$179,790

The rate having been reduced from 4 cents per mile in 1844, and from  $2\frac{1}{2}$  cents in July, 1848, to 2 cents in 1849. But if the reduction of fare has caused a decline, how does he explain the increase of income after the 4 cent fare of 1844 was abolished. And why does he omit the material elements which affect the question. From 1845, to July, 1848, many new mills were in progress at Lowell; but, more than this, five competing lines have been opened, which divert many passengers from the Boston and Lowell line.

First and second. The Worcester and Nashua, and the Stony Brook Railways, finished in 1848, which divert the passengers from Vermont, and the Valley of the Merrimack, destined for Worcester, Providence, Springfield, Albany, and New York, who formerly took the Boston and Lowell Railway via Boston.

Third. A new competing line between Boston and the Valley of the Merrimack, the great feeder of the Boston and Lowell Railway, namely:—the Manchester and Lawrence, which shortens the journey between Boston and Concord nearly four miles, and gives a better entrance into Boston. This was opened in 1849.

Fourth. The Cheshire Railway, which opened in 1849 a new route to Vermont from Boston.

Fifth. The Lowell and Lawrence Line, which superseded the Lawrence train on the Boston and Lowell.

The diversion, by these enterprises, will more than account for diminished income, both on the Boston and Lowell, and Boston and Worcester railways.\*

But he says the rate has been raised to  $2\frac{1}{2}$  cents per mile, and what does that prove? If he will refer to the record, he will, as is currently reported, ascertain that since the rise a further decrease of income on this particular line has occurred.

The truth is, that it is still an open question in Massachusetts whether 2 cents, or  $2\frac{1}{2}$  cents a mile, produce the largest revenue. It is generally conceded  $2\frac{1}{2}$  cents works well, and the advance from 2 cents this year may prove the lower rate works better. It is sincerely to be hoped that rate will be most successful which gives the greatest good to the greatest number. It is, too, but just to add, the 2 cent fare was not adopted by the friends of low fares; they were content with the established rate of  $2\frac{1}{2}$  cents for the long, and 2 to  $2\frac{1}{4}$  for the short travel.

The reduction occurred thus:—The Boston and Lowell Railway being menaced by competing lines, and having a plethora of income, reduced its fare to 2 cents per mile, while these lines were struggling for existence, and when they were finished, rose to its former price. The Boston and Maine,

\* The travelers over the Nashua and Lowell Railway, the principal feeder of the Boston and Lowell, were 24,222 less last year than the year preceding.

the Fitchburg, and Boston and Worcester, were thus necessarily obliged to follow in self defense, and when the Boston and Lowell rose, the others went back to their former standard. The decline, and the rise, will furnish new and valuable statistics.

But Mr. D. M. B. refers to the Fitchburg Railway. Upon this successful line, the passenger income has been as follows :—

FITCHBURG PASSENGER RECEIPTS.				
1845.	1846.	1847.	1848.	1849.
\$100,817	\$126,772	\$159,492	\$179,199	\$204,668

This line, located between the Boston and Lowell and the Boston and Worcester, averaging about ten miles from each, where few thought a railway could live, is emphatically a freight line; but under a 2 cent fare, in 1849, its passenger receipts were more than doubled upon those of 1845. Does 105 per cent gain in four years prove anything against low fares? If the rate per mile run be less, the P. and S. branch and express trains reduce the average passenger earnings on each mile run, but swell the aggregate and net results.

But this correspondent refers to a report of a certain investigating committee on the Old Colony Railway. They approve an advance of fares from  $2\frac{1}{2}$  cents to 3 cents per mile, in January last. It is undoubtedly true this advance was made in defense to those shareholders who felt sore at the loss of a dividend; but was he not aware that this report, now deemed very light authority, was, in this particular, most signally disproved, at a public meeting of the stockholders, where it was shown that after the advance from December to April, the passenger income had materially declined, although it had continued to increase at lower rates through the preceding year. And if low fares are, on any hypothesis, the cause of a decline in railways, why does your correspondent suppress the returns of the Boston and Providence Railway, whose income has gone down from 8 per cent to  $5\frac{1}{2}$  in the last six years, and which has maintained the highest rates out of Boston, namely, 3 cents per mile.

With respect to the Eastern Railway, a large portion of their through travelers to Portland are taken at  $1\frac{1}{2}$  to 2 cents per mile; and the growth of the shoe business, Salem and Newburyport manufactures, has given it prosperity, apart from the question of fares.

Again, with respect to branches, this correspondent deals in other fallacies. No doubt errors have been made in some of them, but is it just, where he speaks of the A. and Bridgwater Branch, to cut off the revenue of a short branch at the point where it enters the main line?—where the business it brings is almost a clear accession to the main line, and is rapidly increasing? In considering branches, the benefit to the main line will often treble the net income from a branch.

But Mr. D. M. B., when he deals with freight, falls into more signal errors. Does he not recognize the difference between a mile run and a mile of railway? and how does he make out that "our freights" are too low, or "the superior profitableness," as he expresses it, "of passenger over freight income," when our reports give us the following results :—

FREIGHT EARNINGS OF MASSACHUSETTS RAILWAYS.			
Freight receipts of 443 miles of railway in 1842.....	\$669,682		Miles run. 420,583
“          944          “          1849.....	2,411,307		1,243,739
Expenses of all trains run per mile, 1842.....			72 cents.
“          “          “          1849.....			76 “

By this table it appears that freight has at rates fallen from 8 to 3 or 4 cents per ton per mile actually become more profitable than it was eight years since, and that the freight trains have, during the last year, earned \$1 96 per mile run, while the freight and passenger trains together have averaged but \$1 51. It is apparent that the freight business, as a whole, is the most lucrative business on our Massachusetts lines; for it can be concentrated into four trains.

But this gentleman, after this singular display of his familiarity with passengers and freight, deals out a more grave accusation against some of our most solid and substantial lines—the Fitchburg, Lowell, Nashua, Taunton, and Providence—when he charges them with dividing, in 1849, \$40 on \$37 07 net earnings. It is a little amusing to trace the misapprehension on which this serious charge is founded. He takes the cost of the lines, on which he casts the per centage, not at the commencement or middle of the year, but at the close, and makes this the basis of the dividends. But railways do not divide on this basis. They divide on the capitals of January and July, semi-annually. Suppose, for instance, the Fitchburg, to provide for the future, has, in the last half of 1849, expended four hundred thousand on a second track, and funded it in new stock at the close of the year, what has that stock to do with the dividend, particularly that of July. This expenditure has not *earned*, and cannot *partake*. It is the new capital of 1850. This is self-evident, and shows the fairness of the dividends in question. Take the case of the Fitchburg itself. Its capital, at the commencement of four consecutive years, its net earnings and dividends, have been as follows:—

FITCHBURG RAILWAY.				
Year.	Capital.	Net earnings.	True per cent.	Dividends.
1846.....	\$1,477,477	\$169,198	11.45	10
1847.....	1,875,318	223,011	11.89	10
1848.....	2,406,724	200,219	8.31	8½
1849.....	2,945,631	237,900	8.03	8

The prosperity of their dividends thus speaks for itself; nor is this all. In three years past, the Fitchburg Company have earned more than \$40,000 profits, principally from land sold, to the credit of construction. But this gentleman deals also with the report of an investigating committee on the Boston and Maine Railway. This line had been managed with signal ability by Mr. Minot, now in charge of the New York and Erie Railway; but an investigating committee, being misled as to a large part of the amount spent for construction of track, platforms, &c., at their machine-shop, reported against the policy of building cars and engines, in which report Mr. D. M. B. fully concurs. Had he read the reply of Mr. James Hayward, now a director, he would have seen a full and clear demonstration of the fallacy of the report, in this particular. A demonstration no one has attempted to confute; not even the committee.

The Boston and Providence Railway have also proved, by their experience, that cars and engines *can* be built with advantage at the shop of a railway company; and the London and Northwestern, the largest and best conducted line of England, turn out a new engine and new cars weekly at their establishments. The policy of such manufacture must depend on the size and capital of the company, and sagacity of the managers of a railway.

With respect to the "reserve" of Massachusetts lines, it springs from the mode of keeping the accounts. *Capital* cannot be divided. *Income* can, with propriety; but is often (to save interest) lent to construction. The

term "reserve," in railroad accounts, does not imply cash on hand, but indicates the amount of income undivided, although it seems mysterious to D. M. B. As respects a floating debt, it is doubtless politic to fund it; but its existence is no insuperable barrier to a dividend. A small floating debt is often convenient, and makes but a small demand for interest, as it is extinguished twice a year, by the accumulation of revenue; and thus interest paid may be met by interest received. A road, like the Western, may pay only 5 per cent on a loan, and thus divide 8 per cent to her stockholders. The sacrifices incurred in funding the cost of a railway, imaginary deterioration, and small floating debts, however much they may alarm investigating committees, should not deprive the stockholder of his dividend.

It would be idle to follow Mr. D. M. B. into his curious essay on English postage, which has realized all the hopes of its friends; or to his citation from the reports of a few fretful stockholders, whose acquaintance with the subject is less than his own, and who are querulous because a painter, after working all the week on cars, charged extra for painting an engine, at unreasonable hours; and because a treasurer, without a clerk, took care of half a million floating debt, beside his other duties, at a salary of one thousand per year, and did not keep his books with proper neatness; and because a country director did not charge less for his own wood taken by the company than he paid to others; and because a finance committee issued some stock, as collateral for the company's debts, without a special vote of the directors. It is undoubtedly proper that officers should not deal with their respective companies, and that books should be kept with accuracy, and votes duly recorded. It is, undoubtedly, wise to provide funds in advance, and make exact estimates; and I well know, from personal experience, how difficult it is for pilots, called in during a storm, to save the ship struck by the gale, with all her sails standing. But it seems to me remarkable, and highly honorable to Massachusetts, that after a period of so much excitement, followed by a time of so great and continued pressure, so little has been found to impugn the management of her railway directors.

E. H. D.

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#### Art. VI.—MARINE AND NAVAL ARCHITECTURE.\*

WHEN we remember that it is to *commerce* we owe a debt of gratitude for the boon of civilization, and that *commerce* is the great engine by which its blessings are diffused throughout the world, we cannot contemplate the subject within the narrow limits of barter or exchange, but upon a platform broad as the extent of civilized life. We were led to the foregoing reflections after having examined eight of the twelve parts of a work now in course of publication in the city of New York, upon the subject of building ships. The leading and strikingly characteristic features of this work is its purely American style, and combination of practice with theory, a quality rarely met with in the works on naval architecture published in the old world; but, apart from this universal practice of linking all science in ship-building with the naval operations of government, is not followed in this treatise; and

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\* Treatise on Marine and Naval Architecture; or Theory and Practice blended in Ship-building. By JOHN W. GRIFFITHS, marine and naval architect.

while naval construction receives a proper share of the author's attention, the great bulk of the work is adapted to the merchant service. This is as it should be. It is notorious that the construction of war vessels is much less difficult than the construction of merchant ships, adapted, as they are supposed to be, to all the varied wants of commerce. There are certain particular principles attached to every art; these principles must be found to depend on certain truths, which, recognized and indisputable, oblige the mind to concur in the deductions that result from them. This is beautifully portrayed in the author's connections between science and practice. His expositions on the slumbering apathy of our legislators in holding within their iron grasp the commercial interests of the United States, by continuing in force a code of tonnage laws, that has done more toward making the ocean one great charnel-house than everything beside, are worthy of the attention of every commercial man. It is not a little surprising that American mechanics have been able to sustain themselves, much less to successfully compete with those of England, who, under the influence of wholesome laws, are furrowing every sea both by wind and steam, under the fostering care of that commercial policy which characterizes British nationality, and against the tide of rivalry that is bearing down on the western world. It requires but a glance at the geographical position of the United States, to satisfy the thinking man that they have more to win or lose in this gigantic race than all the world beside; and notwithstanding the warping influence of the restrictive laws upon American commerce enacted in a barbarous age, the historic page has never shown an equal amount of improvement in any *science* or *art*, (under similar oppressive influences,) as is exhibited in the complete adaptation of American ships to all the purposes of commerce.

Within a period of thirty years her packet-ships have grown in size from 400 to 2,000 tons, and her ocean steam-ships from 300 to 3,000 tons burden. It should not be forgotten, in connection with this, that although to Americans belong the honor of first navigating the ocean by steam, yet they relinquished the main field of enterprise to embark more largely into more lucrative investments in sailing ships, and, after a lapse of near thirty years, they again launch forth on the billowy tide of competition, and, in less than six years, are enabled, by their success, to silence the roar of the British lion, whose bombastic bellowings were echoed through the entire English press; and all this, let it be remembered, has been accomplished in the very face of the most unfavorable laws for the measurement of ships—laws that actually invite fraud, and encourage avarice to endanger the lives of confiding passengers, and those whose home is on the deep, while her rival has the best laws that are now known in the commercial world. The author of this truly American work has fully and clearly set forth this most important subject of building ships on a firm basis, and has fairly and fully shown that he possesses a mind of sufficient calibre to grasp this subject in all its bearings.

His style is simple, his illustrations forcible, apt, and sufficiently intelligible to enable the mechanic to lay off a ship upon the floor of the mould-loft, without having had a previous knowledge of the same. While it is a notorious truth that all European works on the subject of ship-building have been universally acknowledged as complex in their character, needlessly abstruse, and too exclusively devoted to naval operations, why should Americans adhere to the exploded dogmas of the old world, and become wedded to habits that have long since been proved to be unworthy of a place in the catalogue of arts in the middle of the nineteenth century?

The author of this treatise has been eminently successful in bringing out the only work upon the subject of building merchant-ships now extant, that is not tainted with the hereditary notions of an absolute age. He has clearly shown that the mind, like the body, acquires strength by exertions, showing, conclusively, that he who has passed over the ground superficially will find that the obstructions to his future progress are yet to be removed; having himself filled every position in his profession, from the boy at the grind-stone to the experienced builder, eminently qualifying him for the responsible position he occupies. His treatise begins at the root of the matter, and delineates the subject in a style peculiar to himself. The engravings are well calculated to illustrate the subjects, more than fifty of which are distributed through the work.

## JOURNAL OF MERCANTILE LAW.

### COMMERCIAL CODE OF SPAIN.

#### NUMBER XIV.

We conclude from the last number of the *Merchants' Magazine* our translations from the *Codigo de Comercio* of Spain, and conclude that portion relating to—

#### CAPTAINS, OFFICERS, SEAMEN, AND SUPERCARGOES OF SHIPS AND VESSELS.

ARTICLE 677. The captain who has been condemned for having acted with fraud in his functions shall remain incapacitated from obtaining any charge in ships or vessels.

678. No exception shall be admitted in the discharge from responsibility in favor of a captain who has taken a route contrary to what he ought, or varied the course of his voyage without just cause in the opinion of a Junta of the officers of the vessel acting with the assistance of the shippers or supercargo of the vessel who may be on board.

679. Captains are responsible civilly for the embezzlements and thefts of the crew committed on board of the vessel, saving to him his redress against the guilty persons.

The captains are also responsible civilly for the losses, fines, and confiscations which may occur on account of the contravention of the laws and regulations of the custom-house, or of the police of the ports, and for those which may be caused by disturbances raised in the vessel, or the faults which the crew may commit in the service and defense of the vessel, if the captain shall not prove that he strove in time, to the whole extent of his authority, to prevent it, and to impede and correct the crew.

680. Also, the captain shall be charged with the damages which may result from the non-observance of the articles 642, 648, 649, 654, 655, and 667 of this Code.

681. The responsibility of the captain in respect to the cargo commences from its delivery on the beach or mole of the port where it is delivered, and until it is placed on the beach or mole of the place where it is to be discharged, if the contrary is not expressly agreed upon, or it should not be to the account of the shipper to deliver it on board and to receive it in the same way.

682. The captain is not responsible for the damages which may happen to the vessel or cargo through a greater and insuperable force, or accidents which he cannot avoid.

683. No captain can enter voluntarily into a port different from that of his

destination, except in the cases of misfortune and accidents, and under the formalities provided for in articles 968 and 969 of this Code.

Should the captain contravene these articles, or if the arrival should proceed from the fault, negligence, or unskillfulness of the captain, he shall be responsible for the expenses and damages which may be caused to the naviero and shippers of the cargo.

684. A captain of a vessel who takes up money upon the hull and apparel of the vessel, who pledges or sells merchandise or provisions without the formalities and the cases which are hereafter mentioned, and he who permits frauds in the accounts of the ship, beside returning the amount defrauded shall be punished as a criminal for theft or robbery.

685. Captains shall also comply with the obligations prescribed in this Code, and also with those which may be imposed by the regulations of the marine and custom-houses.

686. The obligations which the captain contracts to attend to the repairs, fitting out, and provisioning the vessel shall fall upon the naviero, and such contracts shall not make the captain personally responsible for their fulfillment unless his personal responsibility is expressly committed, or he signs a bill of exchange or a promissory note in his own name.

#### CONCERNING THE OFFICERS AND CREW OF A VESSEL.

687. No person can be a mate, boatswain, or other officer of a merchant vessel, under whatever denomination such officer may come, without having obtained the authorization which the Ordinances of the Sea-Matriculation prescribe, and every contract made by a naviero or a captain for sea-officers with a person who may lack such authorization shall be null—with respect to both parties.

688. Among the persons who may hold the authorization necessary to exercise the offices, which the preceding article points out, the naviero may select the one who may be to his satisfaction, without being obliged by any authority to select any particular individual, saving what has been provided for in article 639 of this Code, with respect to the intervention which the captain of the vessel ought to have in these appointments.

689. By the death, sickness, or absence of the captain the command and government of the vessel devolves upon the mate, until the naviero provides a person to replace him, and in consequence he shall have the same responsibility as the captain in the fulfillment of the obligations which belong to the latter.

690. The mate should go to sea provided with letters or books of navigation, and instruments necessary for the discharge of his duty, and is responsible for the accidents which his omission in this respect may occasion.

691. To change the course of the vessel the mate must act with the consent of the captain, and if the latter should object to take that course which would give the ship a good voyage, the mate shall state to the captain the proper objections which he makes in presence of the other sea-officers of the vessel, and in case of the captain persisting in his resolutions the mate shall enter a proper protest in the book of navigation or log-book of the vessel, without failing to obey the captain, who shall be responsible for the results of his mal-disposition.

692. The mates shall keep particularly, for themselves, a book on board of the vessel, in which they shall note daily the altitude of the sun, the courses, distances, latitudes and longitudes, in which they are found to sail, the collisions which they may encounter with other vessels, and all useful particulars which they may observe during the voyage.

693. If, by the unskillfulness or want of care of the mate, the vessel should be stranded or wrecked, he shall be responsible for all the damages which may be caused to the vessel or cargo.

If such damages should proceed from his acting with fraud he shall be prosecuted criminally according to law—remaining incapacitated from exercising the functions of mate in any other vessel.

The private responsibility of the mate does not include that of the captain in the same cases, according to articles 676 and 694 of this Code.

694. On account of the responsibility and inability of both the captain and mate performing their respective duties, the boatswain shall succeed in the command and responsibility of the vessel.

695. It is the duty of the boatswain to watch over the preservation of the apparel of the vessel, and to propose to the captain the repairs which he may believe necessary.

696. It also belongs to the boatswain to keep the cargo in good order, to have the vessel ready for the maneuvers which the navigation may require to maintain order, discipline, and good service among the crew—asking of the captain the orders and instructions which, concerning all this, he may deem most proper, giving to the captain prompt and punctual notice of every occurrence on board, in which the intervention of the captain's authority may be necessary, according to the same instructions. He shall detail to each mariner the work which he is to do on board, and shall take care that he performs it properly.

697. When the vessel is dismantled the boatswain shall be charged by inventory with all the apparel and rigging of the vessel, taking care that it be preserved and safely kept, unless by order of the naviero he is relieved from his charge.

698. In respect to the qualifications of those who are to compose the crews of merchant vessels, there shall be observed what is required by the Ordinance of the Matriculation of Seamen.

699. The contracts made between the captain and crew ought all to be entered in writing in the book of accounts of the vessel, and signed by those who know how to do it.

Those who do not know how to write may authorize another person to sign for them.

This book having the requisites provided in the article 646 of this Code, and there not appearing any alterations in any part of the book, entire faith shall be given to it, concerning the difference which may occur between the captain and crew in regard to the contracts contained in it, and the sums of money paid on account of such contracts.

Each individual of the crew can exact of the captain a note or memorandum, signed with his hand, of the contract entered in the account book of the vessel.

700. A seaman contracting for services in a vessel cannot rescind his engagement, nor omit to fulfill it, unless some legitimate impediment should prevent the fulfillment of the contract.

701. Having contracted for service in a vessel, if a seaman shall contract for service in another vessel, his last engagement shall be null, and the captain shall have the option to oblige the seamen to perform the service in the first vessel, or he may look for indemnity from him who is his security for the performance of the contract—beside, the seaman shall lose his wages which he may have earned under his first engagement, and such earned wages shall accrue to the benefit of the vessel in which he had at first contracted, without prejudice to the Correctional Penalties to which the Military Authority of the Marine may condemn the seaman.

The captain who makes a contract with a seaman for service in a second vessel, while a prior contract is running in another vessel, shall incur a fine of 1,000 reals, whenever he was knowing to the fact that the seaman was under engagement in the other vessel.

702. To enable a seaman to pass from the service of one vessel to that of another without legitimate hindrance, he shall obtain permission in writing from the captain of the vessel in which he may last have served.

703. No fixed time appearing for which a seaman contracts to serve, it shall be understood as being for the outward and homeward voyages; that is, until the vessel returns to the port of her matriculation.

704. A seaman cannot be discharged without just cause during the time of the running of his contract.

The just causes to discharge the seaman during the term of his contract are—

*First.* The perpetration of any offense which disturbs discipline or order in the vessel.

*Second.* Acts of insubordination in the discipline or fulfillment of the service which belongs to the seaman to perform.

*Third.* The habit of intemperance.

*Fourth.* Any occurrence which incapacitates him from performing the labor which is required of him.

705. Should a captain arbitrarily refuse to take on board a seaman with whom he has contracted, he shall pay the seaman his wages in the same manner as though the seaman had performed the services for which he contracted.

But if the captain makes the seaman indemnification, he shall not be obligated to take the seaman on board, provided he leaves him on shore before the commencement of the voyage.

Such indemnification shall be made from the funds of the vessel if the captain acts from prudential motives, founded in what may be the interest and the security of the service of the vessel.

But this not being so, the indemnification made to the seaman shall be a private charge against the captain.

706. After the voyage commences and until its termination the captain cannot abandon any one of his ship's company either on shore or at sea, unless he is guilty of some crime or offense, and committing any crime or offense the captain shall send the seaman to prison, or deliver him up at the first port where he arrives thereafter to the proper authority, and then only in the manner and cases prescribed by the Ordinances of the Marine.

707. If, after a contract shall have been made with a crew, the voyage of the ship shall be revoked arbitrarily by the naviero, or from motives of his private interest, there shall be allowed to all the seamen one month's wages each respectively, by way of indemnification, over and above what is due to them, according to their contracts, for the time they may have served in the vessel.

In case of a contract being made with a crew at a gross sum for the voyage, and the voyage being revoked as abovementioned, the wages, diet, and provisions shall be graduated for indemnification, *pro rata*, according to the days which the voyage was to have continued.

This calculation shall be made by two skillful men named by the parties, or if the parties shall not do it, then officially by the Tribunal of Commerce.

When the voyage projected is calculated to be of so short a duration as not to continue for one month, the indemnification shall reduce the wages to fifteen days for each individual of the crew.

From the indemnification and diet shall be deducted all the advances which may have been made.

708. A revocation of the voyage occurring after a ship shall have put to sea, the seamen hired at a gross sum for the voyage shall receive that which corresponds to each the same as if the voyage had been concluded, and those who shall have been hired by the month shall receive wages corresponding to the time during which they may have been embarked and which might be necessary for arriving at the port where the voyage ought to have terminated.

It shall be also the duty of the naviero of the cargo and the captain proportionally to provide the crew with a conveyance to their destined port, or to the port where the vessel fitted out according as the crew may elect.

709. When the naviero (or the person who controls the destination of the ship) gives a destination to the vessel different from that which shall have been determined in the hiring of the crew, and they shall refuse to conform to this variation, he shall not be obliged to pay more than the wages for the days passed after the hiring of the crew; but if they do conform to the making of the voyage newly determined on by the naviero, and a greater distance or other circumstances shall give a right to an increase of compensation, the same shall be regulated amicably by the parties, or, in case of dispute, by arbitration.

710. The regulations prescribed in the three preceding articles shall also be observed when the revocation or variation of the voyage shall be caused by the freighters of the ship, saving the right of the naviero to reclaim from them the indemnification, which shall correspond to justice.

711. If a voyage of the vessel be revoked for a just cause, independent of the will of the naviero and freighters, the right of the crew to any indemnification ceases, and they can only demand the wages earned up to the day on which the voyage is revoked—always when the ship shall remain yet in port.

712. The just causes for the revocation of a voyage are—

*First.* In case of a declaration of war, or the interdiction of commerce with the power to whose territory the voyage was to have been made.

*Second.* When there shall be a state of blockade of the port where the vessel is destined, or a pestilence which may happen in it.

*Third.* When there may be a prohibition to receive in the same port the goods laden in the ship.

*Fourth.* A detention or embargo of the ship by order of the Government, or another cause independent of the will of the naviero, (the person who is the managing owner of the ship.)

*Fifth.* Any accident in the vessel which incapacitates it for navigation.

713. Occurring after the commencement of a voyage, any of the first three causes which are stated in the preceding article, the crew shall be paid in the port where the captain shall think it most convenient to arrive for the benefit of the ship and her cargo, according to the time which they have served in the vessel, and when their contract shall have been rescinded.

But if the vessel should have to continue the voyage, both the captain and the crew can mutually demand the fulfillment from each other of the time agreed upon.

In the fourth case the crew shall continue to be paid one-half their wages as they may have been hired by the month, and if the detention or embargo shall exceed three months their engagement shall be rescinded without a right to any indemnification.

Those who have been hired by the voyage are bound to fulfill their contracts in the terms agreed upon until the conclusion of the voyage.

In the fifth case the crew shall have no other right with respect to the naviero than to the wages earned, but if the incapacity of the ship shall proceed from the fraud of the captain or the mate, the guilty party shall be responsible for the indemnification of the damages which may have resulted to the crew.

714. If, for the benefit of the ship or the cargo, the voyage should be extended to points more distant than those agreed upon with the crew they shall receive an increase of wages in proportion to their contracts.

If, on the contrary, for the same reasons of convenience to the naviero or the freighters, the voyage should be reduced to a port more near, for this reason no deduction shall be made in the settlement of the wages of the crew.

715. A crew navigating on shares shall have no right to other indemnification on account of a revocation, delay, or greater extension of the voyage than the proportional share which corresponds to those persons who may be responsible for such occurrences, holding the common fund of the ship.

716. A vessel being entirely lost on account of capture or shipwreck the crew shall not have a right to claim any wages, nor shall the naviero exact a return of the advances which may have been made to them.

If any part of the ship shall have been saved, the wages due the crew shall be made effective against it to the amount of its product or value, and if only a part of the cargo be saved, they shall have the same right against the freights to be received for its transportation.

In both cases the captain shall be comprehended for a distribution of the proportional part which corresponds to his wages.

717. The seamen who navigate on shares shall have no right against the remnants of the vessel which shall be saved, but they shall have a right against the freight of that part of the cargo which may be saved.

In case of having labored to collect the remnants of the vessel wrecked, they shall be paid, on account of the value which they may have saved, a gratification proportional to their exertions and risk to which they were exposed.

718. A seaman who falls sick during the voyage shall not lose his wages agreed on, unless the sickness is caused by his own culpable act.

In every case the expenses of assistance and care of the sickness shall be paid from the common funds of the ship, the sick person remaining obligated to repay such expenses with his wages, and these not being sufficient, with his goods.

719. When the sickness shall proceed from a wound received in the service or defense of the ship, the seaman shall be assisted and cured at the expense of all those who may be interested in the earnings of the vessel, deducting from the freights before all things the expenses of the assistance and cure.

720. A seaman dying during the voyage there shall be paid to his heirs the wages corresponding to the time which he may have been embarked, if the hiring shall have been by the month.

If the hiring shall have been made for the voyage it shall be considered that he had gained one-half of his wages, he dying on the outward voyage, and the whole of his wages if he should die on the return voyage.

When a seaman shall go on shares there shall be paid to his heirs all that which corresponds to the case, should he have died after the voyage commenced, but the heirs shall have no claim should the seaman die before its commencement.

721. Whatever may be the contract with the seaman dying in the defense of the vessel, he shall be considered living to earn wages and participate in the advantages which correspond to the remainder of his class on the conclusion of the voyage.

In the same manner a seaman who may be taken a prisoner on the occasion of the defending the ship, shall be considered present to enjoy the same benefits, but it happening through the want of care or other accident which has no relation to the service of the vessel, he shall only receive the wages agreed upon up to the day of his capture.

722. The ship, her apparel, and freight, shall be responsible for the wages due the seamen who may be hired either by the month or by the voyage.

CONCERNING THE SUPERCARGO.

723. The supercargoes shall exercise over the vessel and cargo the part of economical administration which shall have been expressly and determinately confided to them by their consignors, without interfering in the attributions which pertain to the captains, for the direction, profession, and the command of the ships.

724. The faculties and responsibility of the captain ceases with the presence of the supercargo in all that part of the legitimate administration which shall have been conferred upon him, there remaining for his control all the transactions which are inseparable from his authority and employment.

725. The supercargo ought to record a narration and reason for each and every of his operations in a book folioed and rubricated in the form which governs article 646 of this Code.

726. The dispositions of the articles in section 3, title 2, book 1 of this Code, which determines the capacity, the method of making contracts, and the responsibility of factors, are to be observed in the same way by supercargoes.

727. Supercargoes are prohibited from the making of any negotiation on their own proper account during the voyage beyond his private adventure, which, by the express agreement with his employers, or by the custom of the port where the vessel may be despatched, shall be permitted.

728. In return for the venture no larger amount than the product which it yielded shall be invested without special authority from the same employers.

A. N.

## COMMERCIAL CHRONICLE AND REVIEW.

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FALL BUSINESS—MEXICAN INDEMNITY—ABUNDANCE OF MONEY—FOREIGN DEMAND FOR STOCKS—BANKS OF THE UNITED STATES—LEADING FEATURES OF BANKS—BANKS AND BUSINESS OF NEW ORLEANS—LEGITIMATE BANKING—RECEIPTS OF GOLD AT THE PHILADELPHIA MINT—ACCUMULATION OF PRECIOUS METALS IN EUROPE—INFLUENCE OF CALIFORNIA GOLD—THE CRISIS IN THE COMMERCIAL WORLD—REVENUE AND EXPENDITURE OF UNITED STATES GOVERNMENT—ESTIMATES OF THE SECRETARY OF THE TREASURY, AND RECEIPTS FOR A SERIES OF YEARS—THE ACCUMULATION OF MONEY, ETC.

THE business of the fall season has this summer been as was that of the winter, one month earlier than was the case in former years—that is to say, the receipt of the importations, which formerly arrived in August, this year came to hand in July, and were quite large in amount, causing not only a demand for over four millions of dollars for customs, but also of considerable sums for remittances, at a moment when the Mexican indemnity, and the foreign dividends on the United States, were also required to be remitted. The large demand for money thus occasioned, did not, however, effect the rate, but the sources of supply seemed to multiply on all hands; and it has been a remarkable fact, that notwithstanding repeated efforts on the part not only of banks, whose line of discounts is full, but of all lenders, to raise the rate of interest, they have not succeeded, and considerable sums, say in lots of \$100,000, have lain for more than 60 days at a rate of 4 per cent per annum through the busy season. Such an instance of continued abundance of money, at such a rate, probably never before occurred in this market. The foreign demand for stocks has continued, to a greater or less extent, and an average of \$100,000 per week goes abroad; but there is also a continued demand for money here, and among others the following loans have been taken during the month:—

|                                   | Redeemable.  | Int'nt. | Taken by.            | Rate.   | Amount.     |
|-----------------------------------|--------------|---------|----------------------|---------|-------------|
| City of Rochester bonds.....      | 1861 to 1873 | 6       | Camoran & Whitiker   |         | \$160,000   |
| Northern Railroad (mortgage)..... | 1859         | 7       | Ward & Co            | 90 a 93 | 500,000     |
| “ “ .....                         | 1859         | 7       | Boston               | par     | 750,000     |
| “ “ .....                         | 1859         | 7       | Contractors          | par     | 250,000     |
| Central Michigan Railroad.....    | 1860         | 8       | Thayer and others... | 95 a 97 | 1,000,000   |
| Total for August.....             |              |         |                      |         | \$2,660,000 |

This is a pretty large sum for the market, and indicates the growth of railroad securities. In fact, although the better descriptions of American stocks are rapidly finding their way abroad, securities, to as large an extent, are being created here. We alluded, in a former number, to the effect of the large bank profits in promoting the creation of those institutions. The following table, showing the securities held by the Controller of New York for new banks, is illustrative of the progress in this direction:—

### SECURITIES FOR FREE CIRCULATION IN THE HANDS OF THE CONTROLLER.

| Date.      | No of banks. | Bonds.      | Western States stocks. | United States stocks. | New York stocks. | Total securities. |
|------------|--------------|-------------|------------------------|-----------------------|------------------|-------------------|
| Dec., 1841 | 48           | \$1,629,176 | \$1,686,500            | .....                 | \$979,500        | \$4,927,671       |
| 1842       | 52           | 1,486,194   | 2,025,254              | .....                 | 1,225,837        | 4,737,285         |
| 1843       | 58           | 1,525,540   | 1,900,663              | \$52,000              | 1,774,484        | 5,252,638         |
| 1844       | 65           | 1,580,526   | 1,819,293              | 105,000               | 3,064,905        | 6,569,726         |
| 1845       | 67           | 1,655,589   | 1,704,293              | 105,000               | 3,805,462        | 7,270,344         |
| 1846       | 70           | 1,552,265   | 1,667,700              | 105,000               | 4,472,845        | 7,797,811         |
| 1847       | 88           | 1,559,362   | 1,453,924              | 114,000               | 7,900,229        | 11,037,525        |
| 1848       | 104          | 1,514,979   | 1,374,204              | 114,000               | 7,627,692        | 10,590,186        |
| 1849       | 113          | 1,653,044   | 1,342,607              | 1,282,605             | 7,539,214        | 11,767,470        |
| Aug., 1850 | 120          | 2,021,389   | 1,322,654              | 2,224,022             | 7,766,709        | 13,334,774        |

This increase arises partly from the expiration of charters, compelling those banks to organize under the new law. This has created a demand for \$1,000,000 United States stocks. Under the New Jersey, Pennsylvania, and Michigan laws, this demand is enhanced.

From returns received at one of the bureaus at Washington, from all the banks of the Union, an interesting summary has been prepared, by a competent hand. The results are instructive, when considered in connection with the returns of former years. With the view of giving the leading features of these institutions in as concise, yet as comprehensive a form as possible, we may first mention the leading epochs. The first, 1830, was one of comparative quiet. The high tariff of 1828 had just come into operation, and by its exclusion of imports had imparted confidence in the stability of exchanges, and thereby relaxed restraint upon credit. At the same time an impulse to these was received through the abundance of money, and the multiplication of joint-stock banks in England, under the law then coming into operation. The expansion of credits in England, from this cause, was encouraged by the British government, with the view of carrying through the West India loan for £20,000,000. In the United States, many causes combined to swell credits unduly; among these, the removal of the government deposits to the pet banks, promoting an emulation among lenders. All these causes carried bank credits to the point of failure in 1837. The continuation of the credits was attempted through the support of State stocks, and an attempt at resumption on such a basis, January, 1839, resulted in a second failure in the fall of that year, involving the solvency of many States, and the existence of the national bank. Resumption was finally effected in 1842, when one-half the bank credits had been liquidated by failure, and the general bankrupt law. From 1842 the progress has been upward to the present year. With these remarks, we give the leading features of the institutions at the epochs narrated:—

## BANKS OF THE UNITED STATES.

|           | No. | Capital.      | Loans.        | Specie.      | Circulation. | Deposits.    |
|-----------|-----|---------------|---------------|--------------|--------------|--------------|
| 1830..... | 330 | \$145,192,268 | \$200,451,214 | \$22,114,917 | \$61,323,898 | \$55,559,928 |
| 1837..... | 788 | 290,772,091   | 525,115,702   | 37,915,340   | 149,185,890  | 127,397,185  |
| 1839..... | 840 | 327,132,512   | 492,278,015   | 45,132,673   | 135,170,995  | 90,240,146   |
| 1843..... | 691 | 228,861,948   | 254,544,937   | 28,440,423   | 58,563,608   | 56,168,623   |
| 1847..... | 715 | 203,070,622   | 310,282,945   | 35,132,516   | 105,519,766  | 91,792,533   |
| 1848..... | 751 | 204,833,175   | 344,476,582   | 46,369,765   | 128,506,091  | 103,226,177  |
| 1850..... | 829 | 217,317,211   | 364,204,078   | 45,379,345   | 131,316,526  | 109,586,595  |

From 1830 to 1837 there was an increase of \$325,000,000 of loans. These were nearly all on credit—that is to say, there was no productive property to represent it. The imported and manufactured products had been sold on credits to individuals, who had consumed them without producing equivalents; hence the bank credits and individual paper which had represented their purchase was valueless. Holders of speculative property wanted time, in hopes of a rise, and a general notion seemed to prevail that it was want of bank capital that produced the pressure. In the two following years, this was consequently increased \$37,000,000, producing still greater pressure, and utter failure overtook a large proportion, and \$300,000,000 of loans disappeared. From that moment, the industry of the country has been productively active. Exchangeable products have annually poured forth in greater abundance, and these have, in their progress to market, created a greater amount of discountable paper, giving legitimate em-

ployment to the banking institutions which have thus followed, and not attempted to lead the business of the country. Thus it occurs that while \$364,000,000 of discounts, of the speculative character of former years, would be pregnant of speedy revulsion, they are now perfectly safe. The amount of loans and dividends which grow out of the production and purchase of farm produce, for the most part, cancel those which result from the purchase of manufactured and imported goods. An element of safety exists in the apparent magnitude of the loans. The business of New Orleans, for instance, compares as follows:—

## BANKS AND BUSINESS OF NEW ORLEANS.

|            | Bank capital. | Loans.       | Specie.     | Circulation. | Value of produce<br>rec'd via rivers. |
|------------|---------------|--------------|-------------|--------------|---------------------------------------|
| 1840 ..... | \$47,736,768  | \$56,856,610 | \$3,480,100 | \$6,280,588  | \$45,176,045                          |
| 1849 ..... | 14,468,150    | 11,762,134   | 8,622,737   | 5,560,765    | 81,989,692                            |
| Decrease.  | \$33,268,618  | \$45,094,476 | .....       | \$719,823    | .....                                 |
| Increase.. | .....         | .....        | \$5,142,637 | .....        | \$36,813,647                          |

Of this capital, nearly \$3,000,000 is about to expire, and the want will not be felt in that locality. The quantities of produce which come down supply fully the demand for exchange to meet importations from the North, and from abroad. This state of affairs is entirely different from that when merchants were clamorous for bank accommodation, to enable them to buy largely and sell on credit, without receiving anything in return.

All over the country, similar elements are active, and every locality furnishes, in produce, the means of meeting the payments for the goods it consumes. The figures for the year 1848 show an uncommon increase over those for the preceding year, and this increase, as well as that of the amount of floating credits given out, not of an importation of goods on credit, but of the forwarding of produce from the interior, for sale for cash in England. The notes discounted at country banks furnished money, which was paid out for produce, and this produce sent down to the city, produced the means of taking up the notes with profit. A circle of short, safe, and legitimate paper thus swelled the line of discounts, without jeopardizing the stability of the institutions. When their operations are confined to this species of business, nothing can be more safe and beneficial than their operations. It is only when they depart from commercial discounting, to assume the functions of loan offices, or of "supplying capital" to dealers, that danger arises. They can never, in any degree, furnish capital to business. Their only function is to furnish paper, which represents capital in its passage from hand to hand. Capital is created by industry only, and when once created, banks are of service, like railroads, in facilitating its transfer from one person to another—consequently the greater the production of industry, and the more active the interchange of its products, the more demand will there be for bank-paper. The proper function of these institutions is, therefore, to follow the operations of industry, and by no means to undertake to lead. As long as the bank credits outstanding represent actually existing wealth or capital, there can be no scarcity of money; because every exchange of products cancels the paper which previous transactions created, and usually with some profit. Where the export trade is active, there must be always an increase of means proportionate to the outstanding paper. The present abundance of money, in face of the high line to which discounts have reached, the community owe the banks near \$110,000,000 more

than they did in 1843; yet the means of payment are greatly more abundant. Capital has been produced by industry in large amounts, and the banking movement has only followed its interchange, confining discounts to strictly business paper. The line of discounts now, therefore, shows the value of the property interchanged, at an average of 60 days. This will give \$2,184,000,000 for the year; whereas, in 1837, the loans being on credit, for speculative purposes, were renewable, and constantly extended; therefore representing an amount of transactions for the year no greater than their face—say \$525,000,000, against \$2,184,000,000 now, or less than one-fourth the business now done. It is in this view that difference in the bank movement is now to be regarded. The specie basis of the bank operations has also, by a combination of circumstances, been greatly extended and strengthened.

The receipts of gold at the Philadelphia Mint have progressed as follows:—

RECEIPTS OF GOLD AT THE UNITED STATES MINTS.

|                                   | California gold. |               | Total.       |
|-----------------------------------|------------------|---------------|--------------|
|                                   | At New Orleans.  | Philadelphia. |              |
| In 1848.....                      |                  | \$44,177      | \$44,177     |
| January 1 to August 31, 1849..... | \$175,918        | 1,740,620     | 1,916,538    |
| August 31 to January 1, 1850..... | 489,162          | 3,740,810     | 4,229,972    |
| January 1 to February 28.....     | 938,050          | 2,974,393     | 3,912,443    |
| To March 31.....                  | 365,869          | 1,296,321     | 1,662,190    |
| March 31 to May 1.....            | 298,130          | 1,813,002     | 2,111,132    |
| May 1 to July 31.....             | 317,181          | 6,740,677     | 7,157,858    |
| Total.....                        | \$2,584,310      | \$18,350,000  | \$20,934,310 |

Of this very considerable amount, over \$17,000,000 has been received in ten months, being at the rate of more than \$20,000,000 per annum. Since January, the receipts have been at the rate of \$26,000,000 per annum, and for the last quarter at the rate of \$32,000,000 per annum, showing a constantly augmenting ratio. The excess of imports for the year, as per custom-house books, was, to the close of June, nearly \$6,000,000, at this port; and the influx, from all sources, could not have been less than \$35,000,000. Should the exchanges for the coming year indicate a net export of \$20,000,000 of specie, that amount would scarcely cause a stringency in the markets. But it would seem, from official returns, that great as is the accumulation of the precious metals, it is equally as great abroad, and in Western Europe, as well as in London, there is a tendency to increase in abundance; as an instance, we reduce to dollars the amounts of coin held by the banks of four cities, Jan. 1st, 1849, and June, 1850, as follows:—

|               | B'ks of N. Orleans. | New York.   | London.      | France.      | Total.        |
|---------------|---------------------|-------------|--------------|--------------|---------------|
| January, 1849 | \$6,192,376         | \$7,213,000 | \$71,071,950 | \$52,500,000 | \$136,977,326 |
| June, 1850    | 5,302,715           | 13,878,212  | 81,161,494   | 84,472,500   | 184,814,921   |
| Increase..... |                     | \$6,665,212 | \$10,089,544 | \$31,972,500 | \$47,837,595  |

At these centers of commerce have accumulated in eighteen months nearly \$50,000,000 of specie, or more than the product of California in that period, while at the same time the £5,000,000 of Russian contracts in London has been paid, and also the £800,000 Danish loan. These have both influenced the movement of silver towards the north of Europe, aided by the efforts of Holland, to substitute silver for gold, to the extent of some £3,000,000. The clouded political aspect of France has also induced the Bank, having escaped the coercion of the revolutionary government, to fortify itself in the most effectual manner; and

it appears a steady current of silver, to the extent of \$1,750,000 per month, has, for a period of eighteen months, poured into its vaults, until its reserve now exceeds that of the unprecedented hoards of the Bank of England. This accumulation in this quarter has been very extensive to French industry, the proceeds of which have sold at very low specie prices, drawing silver from all parts of the world to swell the private hoards of dealers as well as the large reservoir of the Bank, which fills from those private hoards as returning confidence induces greater enterprise on the part of the leaders of industry. The great centers of the commercial world are thus prepared with large stocks of bullion and limited credits, and also well stocked warehouses and fair harvests in general, while prices are not inflated, but rule near what may be conceived as the natural prices. At the same time, the commotion which the California discoveries has made in those markets most remote from the old business center, but more contiguous to that wonderful region, is now beginning to be felt in increasing billows at the commercial focus. The countries bordering the Pacific were always apathetic until the gold influence has excited them to extraordinary activity, promoting a consumption of, and a demand for, those goods usually furnished by the Atlantic nations, altogether unprecedented. It would seem that from Oregon, the old American Pacific coast, embracing both continents with Australia, is delivering up its golden treasures, while the old silver mines are redoubling their products. The stimulus already given in those regions to business has aroused the energies of all nations, even the exclusive Chinese; and, like a started locomotive, a new impulse is perceptible with every arrival of Pacific steamers, which, like the pulsations of the engine, add new vigor to the movement.

The fiscal year of the Federal Government closed on the 30th of June, and the results show a degree of prosperity never before attained in the financial history of the government. The report of Mr. Meredith, as Secretary of the Treasury, in December last, estimates a deficit in revenue for the year ending June 30th, 1850, at \$5,828,121, after absorbing the amount on hand June, 1849—\$2,184,964—and the available loans, making a deficit of \$9,251,585 in the current revenues, to meet the current expenditures. The actual ordinary receipts and expenditures are as follows:—

## UNITED STATES REVENUE AND EXPENDITURES, YEAR ENDING JUNE 30, 1850.

| REVENUES.                        |              | EXPENDITURES. |              |
|----------------------------------|--------------|---------------|--------------|
| Customs .....                    | \$39,500,876 | Civil .....   | \$14,875,021 |
| Lands .....                      | 1,863,744    | War .....     | 12,798,978   |
| Miscellaneous.....               | 1,877,311    | Navy.....     | 7,908,830    |
|                                  |              | Interest..... | 3,784,993    |
| Total.....                       | \$43,241,431 | Total.....    | \$39,367,822 |
| Loans.....                       | 4,053,950    |               | 3,648,760    |
| Excess of ordinary revenue ..... |              |               | 3,873,639    |

The excess of loans received was \$405,190, and the amount in the Treasury, at the close of the year, was very nearly \$10,000,000, instead of a deficit of nearly \$6,000,000. But the Treasury report of December, 1848, estimates a balance of \$5,040,542 on hand at the close of the year 1850. Between the reports of these two officers, therefore, there was a difference of over \$10,000,000, and the actual state of affairs differs from both of their statements as much as they differ from each other. The chief difference arises from the operation of the customs.

Mr. Walker estimates them at \$32,000,000, and Mr. Meredith at \$31,500,000—being \$8,000,000 less than the truth. It is to be remembered, however, that the figures we name, the gross revenues, the expenses of collecting, be included in the expenditures under the "civil" head. This makes a difference of nearly \$2,000,000 in the apparent amount of customs revenues. The operation of the loans has been merely to fund outstanding Treasury notes under the law, allowing them to be received for stock of 1867. The ordinary receipts for several years have been as follows:—

## UNITED STATES RECEIPTS FOR SEVERAL YEARS.

|                     | Miscellaneous. | Lands.      | Customs.     | Total.       |
|---------------------|----------------|-------------|--------------|--------------|
| 1842.....           | \$120,260      | \$1,335,797 | \$18,187,909 | \$19,643,966 |
| 1843, 6 months..... | 120,663        | 897,818     | 7,046,844    | 8,065,325    |
| 1844.....           | 261,008        | 2,059,939   | 26,183,571   | 28,504,518   |
| 1845.....           | 163,998        | 2,077,022   | 27,528,113   | 29,769,133   |
| 1846.....           | 92,126         | 2,694,452   | 26,712,668   | 29,499,247   |
| 1847.....           | 100,570        | 2,498,355   | 23,747,865   | 26,346,790   |
| 1848.....           | 351,037        | 3,328,642   | 31,757,071   | 35,436,750   |
| 1849.....           | 1,038,649      | 1,688,959   | 28,346,739   | 31,074,347   |
| 1850.....           | 1,877,311      | 1,863,744   | 39,500,376   | 43,241,461   |

In the year 1842 the year ended with December 31. A change was then made by law, so that the fiscal year should close with June 30. The table embraces, therefore, the whole of the tariff of 1842, and a similar period of the operation of that of 1846. The customs revenue for 1850 has been larger by far than ever before. The year 1831 was the highest of any previous year, and that reached \$36,304,342, being rather more than \$3,000,000 less than of the year just closed. The year 1831 was that of the full effect of the tariff of 1828; and subsequently the compromise act continued to reduce, biennially, the rate of duties, until it completed its operation in the 20 per cent horizontal duty in 1842. But in that year—1842—although the 20 per cent compromise maximum was repealed, all articles before free were brought under its operation. The present tariff averages but about 25 per cent all round, and it yields more than double what the compromise tariff did in 1842. The reason of this is undoubtedly that which did not sufficiently enter into the considerations of secretaries when making up their estimates for the revenues of the past year, namely—the altered condition of the whole country. From 1836 to 1842, although biennially, the tariff underwent such reduction as reduced the average levy from 40 to 20 per cent, neither the importations nor the customs underwent any correspondent improvement, because in that period, from financial causes, the condition of the country was very disastrous. Speculations had unsettled industry, retarded its productions, and promoted the consumption of wealth. The means of expenditure were well nigh exhausted, and credit was gone. The slow process of accumulating wealth by industry, and of restoring credit by promptness of payment was to be gone through with, and these objects have been eminently aided by the circumstance of our intercourse with Europe. The purchasing power in the country is now probably greater than ever before, and the demand for goods such as manifest itself in the swelling revenues of the government. It is no doubt the case that, to a very considerable extent, the demand for articles of luxury which was so conspicuous in 1836, has revived, and that these figure largely in items of importation. For instance, silks, which had reached \$23,000,000 in 1836, fell to \$9,000,000 in 1838, reached \$16,000,000 in 1839, and then, for several years, averaged \$9,000,000,

are again at \$20,000,000 this year. Watches were imported in value \$1,239,000 in 1836, and but \$399,000 came in in 1842, are \$1,676,000 in value. While this remark pertains to most articles of luxury, it is the case that almost all classes wear finer goods—that is to say, goods which employ more labor and require less raw material, and amid the more wealthy, of whom the number is annually increased, the taste for luxury is more indulged, and we see the result in the swelling revenues of the government, without, however, producing adverse exchanges, which, without the support of credit bills or exchange drawn against uncovered credits, as was the case when the United States Bank affected to regulate the exchanges, remain at par, which is always a healthy point.

In view of this state of affairs, however, and the prospect of continued prosperity during the year, the accumulation of money in the government vaults through excess of revenue becomes matter of uneasiness. Last year the excess of revenue in the September quarter was nearly \$4,000,000; a similar amount this year will swell the specie on hand to \$15,000,000. Some means of checking this exuberance of prosperity should be devised.

## COMMERCIAL STATISTICS.

### STATISTICS OF CALIFORNIA COMMERCE.

The California *Courier* publishes, on the authority of Colonel Collier, the Collector at the port of San Francisco, the following aggregate of duties paid on foreign merchandise, from November 12th, 1849, to May 31st, 1850, together with a statement of arrivals, clearances, &c. :—

|                                                                                                                                                    |                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| November 12th to December 31st, as per general account current.....                                                                                | \$201,435 22        |
| January 1st to March 31st.....                                                                                                                     | 268,981 66          |
| April 1st to May 31st, monthly abstract.....                                                                                                       | 285,637 84          |
| <b>Total.....</b>                                                                                                                                  | <b>\$755,974 72</b> |
| Sail vessels now in the harbor.....                                                                                                                | 623                 |
| Steamers.....                                                                                                                                      | 12                  |
| Sail vessels at Sacramento City, Stockton, and other places up the rivers                                                                          | 140                 |
| Steamers.....                                                                                                                                      | 8                   |
| <b>Total.....</b>                                                                                                                                  | <b>783</b>          |
| Of this number, there are foreign.....                                                                                                             | 120                 |
| <b>Total American.....</b>                                                                                                                         | <b>663</b>          |
| Since March 28th, 1850, to June 30th, the American arrivals are :—Ships, 72; barks 115; brigs, 97; steamers, 10; schooners, 74; total in all, 368. |                     |
| Foreign arrivals since the above date:—Ships, 26; barks, 32; brigs, 54; schooners, 25; total in all, 137; grand total, 505.                        |                     |
| Amount of tonnage at this time in the port of San Francisco.....                                                                                   | 1,020,476           |
| In towns and cities on the San Joaquin and Sacramento Rivers.....                                                                                  | 100,000             |
| <b>Total foreign and American.....</b>                                                                                                             | <b>1,120,476</b>    |
| Of this amount there is now unemployed, at least.....                                                                                              | 800,000             |
| Leaving only employed on the whole Pacific and the bays and rivers flowing into it.....                                                            | 326,476             |

COMMERCE OF EACH STATE AND TERRITORY FROM JULY 1, 1848, TO JUNE 30, 1849.

| STATES.              | VALUE OF EXPORTS.       |                        |             |                         |                        |            | VALUE OF IMPORTS.                         |                         |                        |             |
|----------------------|-------------------------|------------------------|-------------|-------------------------|------------------------|------------|-------------------------------------------|-------------------------|------------------------|-------------|
|                      | Domestic produce.       |                        |             | Foreign produce.        |                        |            | Total American<br>and foreign<br>produce. | In American<br>vessels. | In foreign<br>vessels. | Total.      |
|                      | In American<br>vessels. | In foreign<br>vessels. | Total.      | In American<br>vessels. | In foreign<br>vessels. | Total.     |                                           |                         |                        |             |
| Maine.....           | \$1,214,178             | \$65,220               | \$1,279,398 | \$3,565                 | \$3,723                | \$7,288    | \$1,286,681                               | \$577,403               | \$144,006              | \$721,409   |
| New Hampshire....    | .....                   | 5,852                  | .....       | .....                   | 26                     | 26         | 5,878                                     | 51,029                  | 13,322                 | 64,351      |
| Vermont.....         | 299,938                 | .....                  | 299,938     | 388,931                 | .....                  | 388,931    | 688,869                                   | 147,721                 | .....                  | 147,721     |
| Massachusetts... ..  | 6,878,580               | 1,296,087              | 8,174,667   | 1,422,343               | 667,852                | 2,090,195  | 10,264,862                                | 18,367,959              | 6,377,958              | 24,745,917  |
| Rhode Island.....    | 170,835                 | 1,856                  | 172,691     | 5,461                   | .....                  | 5,461      | 178,152                                   | 230,147                 | 7,331                  | 237,478     |
| Connecticut.....     | 262,972                 | 1,028                  | 264,000     | .....                   | .....                  | .....      | 264,000                                   | 220,350                 | 14,393                 | 234,743     |
| New York.....        | 28,504,356              | 8,233,859              | 36,738,215  | 6,164,866               | 3,060,019              | 9,224,885  | 45,963,100                                | 76,148,308              | 16,419,061             | 92,567,369  |
| New Jersey.....      | .....                   | 355                    | 355         | .....                   | 8                      | 8          | 363                                       | 3,360                   | 893                    | 4,253       |
| Pennsylvania.....    | 4,095,597               | 755,275                | 4,850,872   | 479,189                 | 13,360                 | 492,549    | 5,343,421                                 | 10,008,073              | 637,427                | 10,645,500  |
| Delaware.....        | 37,850                  | .....                  | 37,850      | 379                     | .....                  | 379        | 38,229                                    | 898                     | 502                    | 1,400       |
| Maryland.....        | 6,514,989               | 1,271,706              | 7,786,695   | 117,076                 | 96,889                 | 213,965    | 8,000,660                                 | 4,613,219               | 363,512                | 4,976,731   |
| Dist. of Columbia... | 111,607                 | .....                  | 111,607     | .....                   | .....                  | .....      | 111,607                                   | 35,668                  | .....                  | 35,668      |
| Virginia.....        | 2,931,167               | 488,255                | 3,369,422   | 4,316                   | .....                  | 4,316      | 3,373,738                                 | 223,218                 | 18,717                 | 241,935     |
| North Carolina.....  | 227,405                 | 42,671                 | 270,076     | .....                   | .....                  | .....      | 270,076                                   | 105,975                 | 7,171                  | 113,146     |
| South Carolina.....  | 5,761,733               | 3,938,242              | 9,699,975   | 1,301                   | .....                  | 1,301      | 9,701,176                                 | 996,168                 | 479,527                | 1,475,695   |
| Georgia.....         | 2,735,139               | 4,122,667              | 6,857,806   | .....                   | .....                  | .....      | 6,857,806                                 | 176,437                 | 194,587                | 371,024     |
| Florida.....         | 1,602,345               | 915,682                | 2,518,027   | .....                   | .....                  | .....      | 2,518,027                                 | 42,811                  | 20,400                 | 63,211      |
| Alabama.....         | 7,474,870               | 5,348,855              | 12,823,725  | .....                   | .....                  | .....      | 12,823,725                                | 108,913                 | 548,234                | 657,147     |
| Louisiana.....       | 22,356,821              | 14,600,297             | 36,957,118  | 581,592                 | 72,957                 | 654,549    | 37,611,667                                | 7,853,664               | 2,197,033              | 10,050,697  |
| Mississippi.....     | .....                   | .....                  | .....       | .....                   | .....                  | .....      | .....                                     | 2,433                   | .....                  | 2,433       |
| Tennessee.....       | .....                   | .....                  | .....       | .....                   | .....                  | .....      | .....                                     | 15,145                  | .....                  | 15,145      |
| Missouri.....        | .....                   | .....                  | .....       | .....                   | .....                  | .....      | .....                                     | 130,382                 | .....                  | 130,382     |
| Ohio.....            | 8,464                   | 141,260                | 149,724     | .....                   | .....                  | .....      | 149,724                                   | 137,552                 | 12,287                 | 149,839     |
| Kentucky.....        | .....                   | .....                  | .....       | .....                   | .....                  | .....      | .....                                     | 79,738                  | .....                  | 79,738      |
| Michigan.....        | 117,756                 | 10,088                 | 127,844     | 796                     | 4,211                  | 5,007      | 132,851                                   | 98,141                  | .....                  | 98,141      |
| Illinois.....        | 33,722                  | 54,690                 | 88,412      | .....                   | 5                      | 5          | 88,417                                    | 5,173                   | 4,593                  | 9,766       |
| Texas.....           | 23,089                  | 59,702                 | 82,791      | .....                   | .....                  | .....      | 82,791                                    | 2,267                   | 14,333                 | 16,600      |
| Total.....           | 91,363,308              | 41,303,647             | 132,666,955 | 9,169,815               | 3,919,050              | 13,088,865 | 145,755,820                               | 120,382,162             | 27,475,287             | 147,857,439 |

Commercial Statistics.

NAVIGATION OF EACH STATE AND TERRITORY FROM JULY 1, 1848, TO JUNE 30, 1849,

TONNAGE ENTERED INTO THE UNITED STATES.

| STATES.                   | American. |           |         |       | Foreign. |           |        |       | Total American and foreign. |           |         |       |
|---------------------------|-----------|-----------|---------|-------|----------|-----------|--------|-------|-----------------------------|-----------|---------|-------|
|                           | No.       | Tons.     | Crews.  |       | No.      | Tons.     | Crews. |       | No.                         | Tons.     | Crews.  |       |
|                           |           |           | Men.    | Boys. |          |           | Men.   | Boys. |                             |           | Men.    | Boys. |
| Maine.....                | 230       | 65,333    | 2,139   | 5     | 940      | 67,564    | 4,151  | 81    | 1,170                       | 132,897   | 6,290   | 86    |
| New Hampshire.....        | 12        | 3,688     | 122     | 8     | 94       | 5,959     | 388    | 57    | 106                         | 9,647     | 510     | 65    |
| Vermont.....              | 393       | 98,986    | 3,837   | 7     | 6        | 370       | 14     | ....  | 399                         | 99,356    | 3,851   | 7     |
| Massachusetts.....        | 1,250     | 329,094   | 14,136  | 405   | 2,723    | 247,614   | 15,604 | 60    | 3,973                       | 576,708   | 29,740  | 465   |
| Rhode Island.....         | 107       | 19,960    | 963     | 51    | 22       | 2,521     | 137    | ....  | 129                         | 22,481    | 1,100   | 51    |
| Connecticut.....          | 99        | 23,355    | 1,398   | 76    | 42       | 4,714     | 243    | ....  | 141                         | 28,069    | 1,641   | 76    |
| New York.....             | 6,782     | 1,500,456 | 53,209  | 2,633 | 3,467    | 834,923   | 43,061 | 1,724 | 10,249                      | 2,335,379 | 101,270 | 4,357 |
| New Jersey.....           | 1         | 145       | 7       | ....  | 8        | 841       | 59     | ....  | 9                           | 986       | 66      | ....  |
| Pennsylvania.....         | 421       | 113,825   | 4,632   | 90    | 185      | 28,798    | 1,544  | 11    | 606                         | 142,623   | 6,176   | 101   |
| Delaware.....             | 3         | 338       | 18      | ....  | 2        | 854       | 34     | ....  | 5                           | 1,192     | 52      | ....  |
| Maryland.....             | 369       | 86,485    | 3,506   | ....  | 115      | 23,583    | 1,075  | ....  | 484                         | 110,068   | 4,581   | ....  |
| District of Columbia..... | 5         | 786       | 41      | ....  | ....     | ....      | ....   | ....  | 5                           | 786       | 41      | ....  |
| Virginia.....             | 91        | 19,270    | 843     | 2     | 55       | 10,300    | 486    | 2     | 146                         | 29,570    | 1,329   | 4     |
| North Carolina.....       | 103       | 13,064    | 633     | 6     | 20       | 3,430     | 159    | ....  | 123                         | 16,494    | 792     | 6     |
| South Carolina.....       | 165       | 52,662    | 2,084   | 3     | 133      | 45,744    | 1,714  | 250   | 298                         | 98,406    | 3,798   | 253   |
| Georgia.....              | 44        | 12,910    | 485     | 1     | 83       | 51,244    | 1,435  | 298   | 127                         | 64,154    | 1,920   | 299   |
| Florida.....              | 82        | 10,379    | 529     | ....  | 44       | 9,397     | 544    | 29    | 126                         | 19,776    | 1,073   | 29    |
| Alabama.....              | 55        | 20,858    | 661     | 35    | 101      | 66,213    | 2,628  | 137   | 156                         | 87,071    | 3,289   | 172   |
| Louisiana.....            | 686       | 229,245   | 8,631   | ....  | 412      | 196,204   | 7,280  | ....  | 1,098                       | 425,449   | 15,911  | ....  |
| Mississippi.....          | ....      | ....      | ....    | ....  | ....     | ....      | ....   | ....  | ....                        | ....      | ....    | ....  |
| Tennessee.....            | ....      | ....      | ....    | ....  | ....     | ....      | ....   | ....  | ....                        | ....      | ....    | ....  |
| Missouri.....             | ....      | ....      | ....    | ....  | ....     | ....      | ....   | ....  | ....                        | ....      | ....    | ....  |
| Ohio.....                 | 131       | 13,640    | 731     | ....  | 117      | 10,843    | 639    | ....  | 248                         | 24,483    | 1,370   | ....  |
| Kentucky.....             | ....      | ....      | ....    | ....  | ....     | ....      | ....   | ....  | ....                        | ....      | ....    | ....  |
| Michigan.....             | 141       | 34,723    | 1,733   | 7     | 403      | 95,076    | 5,634  | 1     | 544                         | 129,799   | 7,367   | 8     |
| Illinois.....             | 24        | 6,620     | 265     | ....  | 11       | 2,397     | 114    | ....  | 35                          | 9,017     | 379     | ....  |
| Texas.....                | 14        | 2,499     | 115     | ....  | 9        | 1,926     | 90     | 1     | 23                          | 4,425     | 205     | 1     |
| Total.....                | 11,208    | 2,658,321 | 105,718 | 3,329 | 8,992    | 1,710,515 | 87,033 | 2,651 | 20,200                      | 4,368,886 | 192,751 | 5,980 |

NAVIGATION OF EACH STATE AND TERRITORY FROM JULY 1, 1848, TO JUNE 30, 1849.

TONNAGE CLEARED FROM THE UNITED STATES.

| STATES.                   | American. |           |         |       | Foreign. |           |        |       | Total American and foreign. |           |         |       |
|---------------------------|-----------|-----------|---------|-------|----------|-----------|--------|-------|-----------------------------|-----------|---------|-------|
|                           | No.       | Tons.     | Crews.  |       | No.      | Tons.     | Crews. |       | No.                         | Tons.     | Crews.  |       |
|                           |           |           | Men.    | Boys. |          |           | Men.   | Boys. |                             |           | Men.    | Boys. |
| Maine.....                | 585       | 127,368   | 4,832   | 22    | 912      | 66,081    | 7,946  | 107   | 1,497                       | 193,449   | 12,778  | 129   |
| New Hampshire.....        | 3         | 1,023     | 26      | 5     | 92       | 5,819     | 378    | 56    | 95                          | 6,842     | 404     | 61    |
| Vermont.....              | 385       | 97,218    | 3,729   | 9     | 5        | 325       | 12     | ....  | 390                         | 97,543    | 3,741   | 9     |
| Massachusetts.....        | 1,108     | 280,187   | 12,697  | 493   | 2,698    | 244,067   | 15,048 | 266   | 3,806                       | 524,254   | 27,745  | 759   |
| Rhode Island.....         | 87        | 15,568    | 772     | 33    | 20       | 2,315     | 126    | ....  | 107                         | 17,883    | 898     | 33    |
| Connecticut.....          | 83        | 20,440    | 1,317   | 64    | 31       | 3,719     | 187    | ....  | 114                         | 24,159    | 1,504   | 64    |
| New York.....             | 6,379     | 1,358,648 | 53,691  | 2,529 | 3,320    | 784,514   | 41,887 | 1,689 | 9,699                       | 2,143,157 | 95,578  | 4,218 |
| New Jersey.....           | ....      | ....      | ....    | ....  | 4        | 423       | 30     | ....  | 4                           | 423       | 30      | ....  |
| Pennsylvania.....         | 360       | 93,322    | 3,806   | 98    | 179      | 27,005    | 1,417  | 15    | 539                         | 120,327   | 5,223   | 113   |
| Delaware.....             | 7         | 1,091     | 51      | ....  | 3        | 1,599     | 63     | ....  | 10                          | 2,690     | 114     | ....  |
| Maryland.....             | 491       | 118,276   | 4,857   | ....  | 143      | 31,652    | 1,478  | ....  | 634                         | 149,928   | 6,335   | ....  |
| District of Columbia..... | 14        | 2,320     | 107     | ....  | ....     | ....      | ....   | ....  | 14                          | 2,320     | 107     | ....  |
| Virginia.....             | 261       | 58,989    | 2,413   | 7     | 58       | 10,589    | 485    | 2     | 319                         | 69,578    | 2,898   | 9     |
| North Carolina.....       | 180       | 26,030    | 1,204   | 10    | 24       | 3,880     | 177    | ....  | 204                         | 29,910    | 1,381   | 10    |
| South Carolina.....       | 261       | 88,738    | 3,303   | 3     | 177      | 58,401    | 2,229  | 150   | 438                         | 147,139   | 5,532   | 153   |
| Georgia.....              | 83        | 31,150    | 1,031   | 10    | 90       | 53,713    | 1,444  | 247   | 173                         | 84,863    | 2,475   | 267   |
| Florida.....              | 80        | 20,507    | 802     | ....  | 41       | 10,922    | 567    | 24    | 121                         | 31,429    | 1,369   | 24    |
| Alabama.....              | 149       | 76,523    | 2,280   | 132   | 107      | 71,593    | 2,765  | 147   | 256                         | 148,116   | 5,045   | 279   |
| Louisiana.....            | 714       | 293,456   | 10,191  | ....  | 417      | 194,234   | 7,125  | ....  | 1,131                       | 487,690   | 17,316  | ....  |
| Mississippi.....          | ....      | ....      | ....    | ....  | ....     | ....      | ....   | ....  | ....                        | ....      | ....    | ....  |
| Tennessee.....            | ....      | ....      | ....    | ....  | ....     | ....      | ....   | ....  | ....                        | ....      | ....    | ....  |
| Missouri.....             | ....      | ....      | ....    | ....  | ....     | ....      | ....   | ....  | ....                        | ....      | ....    | ....  |
| Ohio.....                 | 86        | 6,957     | 415     | ....  | 110      | 9,821     | 591    | ....  | 196                         | 16,778    | 1,006   | ....  |
| Kentucky.....             | ....      | ....      | ....    | ....  | ....     | ....      | ....   | ....  | ....                        | ....      | ....    | ....  |
| Michigan.....             | 140       | 33,919    | 1,735   | 7     | 395      | 90,605    | 5,397  | ....  | 535                         | 124,524   | 7,132   | 7     |
| Illinois.....             | 5         | 964       | 44      | ....  | 13       | 2,796     | 153    | ....  | 18                          | 3,760     | 197     | ....  |
| Texas.....                | 5         | 1,035     | 46      | ....  | 8        | 1,631     | 74     | 1     | 13                          | 2,666     | 120     | 1     |
| Total.....                | 11,466    | 2,753,724 | 109,349 | 3,422 | 8,847    | 1,675,709 | 89,579 | 2,704 | 20,313                      | 4,429,433 | 198,928 | 6,126 |

Commercial Statistics.

## EXPORT OF OIL FROM THE UNITED STATES.

The following statement, showing the quantity and value of spermaceti, whale, and other fish oil exported from the United States, distinguishing the countries to which it was exported, during the year ending June 30th, 1849, has been compiled for the *Merchants' Magazine* from the annual report of the Register of the Treasury:—

|                                    | Spermaceti. | Value.    | Whale and<br>other fish. | Value.    |
|------------------------------------|-------------|-----------|--------------------------|-----------|
| Russia.....                        | 1,262       | \$1,578   | .....                    | .....     |
| Prussia.....                       | .....       | .....     | 33,085                   | \$11,018  |
| Sweden and Norway.....             | 6,864       | 7,150     | 122,740                  | 36,907    |
| Swedish West Indies.....           | 31          | 35        | 79                       | 50        |
| Danish West Indies.....            | 491         | 529       | 3,833                    | 1,899     |
| Hanse Towns.....                   | .....       | .....     | 350,324                  | 115,647   |
| Hanover.....                       | .....       | .....     | .....                    | .....     |
| Holland.....                       | .....       | .....     | 1,085,878                | 362,188   |
| Dutch West Indies.....             | 225         | 162       | 13,057                   | 4,904     |
| Dutch Guiana.....                  | 183         | 224       | 3,577                    | 1,892     |
| Belgium.....                       | .....       | .....     | 278,848                  | 91,460    |
| England.....                       | 446,104     | 496,527   | 496,049                  | 170,941   |
| Scotland.....                      | 19,520      | 19,351    | 80,853                   | 27,934    |
| Gibraltar.....                     | .....       | .....     | 6,123                    | 2,127     |
| British East Indies.....           | .....       | .....     | 4,515                    | 1,839     |
| Honduras.....                      | .....       | .....     | 176                      | 119       |
| British Guiana.....                | .....       | .....     | 7,855                    | 3,880     |
| British West Indies.....           | 393         | 386       | 32,092                   | 15,762    |
| Canada.....                        | 25,121      | 19,014    | 21,063                   | 13,941    |
| British American colonies.....     | 582         | 479       | 2,675                    | 1,682     |
| France on the Mediteranean.....    | .....       | .....     | 3,804                    | 1,172     |
| French West Indies.....            | 31          | 37        | 84                       | 53        |
| Miquelon and French fisheries..... | .....       | .....     | 960                      | 432       |
| French Guiana.....                 | .....       | .....     | 4,037                    | 1,720     |
| Teneriffe and other Canaries.....  | .....       | .....     | 2,556                    | 931       |
| Cuba.....                          | 18,477      | 18,891    | 143,553                  | 69,561    |
| Other Spanish West Indies.....     | 42          | 27        | 5,622                    | 2,339     |
| Madeira.....                       | .....       | .....     | 2,042                    | 708       |
| Fayal and other Azores.....        | .....       | .....     | 1,970                    | 508       |
| Tuscany.....                       | .....       | .....     | 2,014                    | 644       |
| Hayti.....                         | .....       | .....     | 1,340                    | 549       |
| Mexico.....                        | 7,050       | 7,888     | 6,355                    | 3,064     |
| Central Republic of America.....   | .....       | .....     | 200                      | 140       |
| New Granada.....                   | 85          | 94        | 126                      | 50        |
| Venezuela.....                     | 56          | 69        | 920                      | 435       |
| Brazil.....                        | .....       | .....     | 1,529                    | 669       |
| China.....                         | .....       | .....     | 153                      | 103       |
| Europe generally.....              | .....       | .....     | 63,008                   | 18,588    |
| Africa generally.....              | .....       | .....     | 335                      | 241       |
| South Seas and Pacific Ocean.....  | 300         | 322       | .....                    | .....     |
| Total.....                         | 526,817     | \$572,763 | 2,783,480                | \$965,597 |

It also appears that 1,198,250 pounds of whalebone, valued at \$337,714, and 503,911 pounds of spermaceti candles, valued at \$159,403, were exported during the same period to the above named countries.

## EXPORT OF BRITISH WOOLEN MANUFACTURES.

From a return made to an order of the House of Commons, it appears that the declared value of British woollen manufactures exported from the United Kingdom in the year 1849 was £7,342,723, upwards of one-third of which was to the United States of America. The next largest recipient was the Hanseatic Towns, to which goods were sent to the value of £658,413. Holland received goods to the value of £432,331;

Italy, of £403,244; China, of £370,879; the British North American Colonies, of £354,147, &c., &c. France imported British goods to the value of £131,436; Russia, of £70,672; Prussia, of £7,692; Turkey, of £142,859; Spain and the Canaries, of £42,492, &c., &c. Foreign and colonial sheep and lambs' wool to the amount of 75,113,347 lbs. was imported into the United Kingdom in 1849, New South Wales sending more than double the quantity sent by any other country. The Hanseatic Towns sent 14,789,570 lbs; the Cape of Good Hope, 5,377,495 lbs.; Van Diemen's Land, 4,999,043 lbs; Russian ports in the Black Sea, 4,786,120 lbs.; British territories in India, 4,182,853 lbs., &c., &c. Of 12,324,415 lbs. re-exported from the United Kingdom, more than nine million pounds were sent to Belgium. The export of British sheep and lambs' wool in 1849 amounted to 11,200,472 lbs., and of British woollen and worsted yarn to 11,773,020 lbs. Wool of the Alpaca and Llama tribe to the amount of 1,655,300 lbs. was imported, and 126,082 lbs. of it re-exported to European countries. 2,536,039 lbs. of Mohair (or goats' wool) were imported, and 130,145 lbs. of it re-exported.

IMPORTS OF SUGAR INTO THE UNITED STATES.

COMPILED FOR THE MERCHANTS' MAGAZINE FROM THE REPORT OF THE REGISTER OF THE TREASURY ON COMMERCE AND NAVIGATION FOR THE YEAR ENDING JUNE 30TH, 1849.

|                                | Brown.      |             | White, clayed, or powd'd. |           |
|--------------------------------|-------------|-------------|---------------------------|-----------|
|                                | Pounds.     | Value.      | Pounds.                   | Value.    |
| Danish West Indies.....        | 2,695,899   | \$97,689    | .....                     | .....     |
| Holland.....                   | 36,710      | 1,255       | 75,182                    | \$3,595   |
| Dutch West Indies.....         | 737,855     | 17,459      | .....                     | .....     |
| Dutch East Indies.....         | 122,836     | 5,428       | .....                     | .....     |
| Dutch Guiana.....              | 209,755     | 4,239       | .....                     | .....     |
| Belgium.....                   | .....       | .....       | 84,603                    | 4,226     |
| British East Indies.....       | 32,705      | 1,374       | .....                     | .....     |
| British West Indies.....       | 1,245,492   | 30,749      | .....                     | .....     |
| British American Colonies..... | 1,637       | 42          | .....                     | .....     |
| Canada.....                    | 12,927      | 529         | .....                     | .....     |
| French West Indies.....        | 1,983       | 76          | .....                     | .....     |
| Manilla, etc.....              | 6,649,132   | 200,434     | .....                     | .....     |
| Cuba.....                      | 179,754,020 | 5,600,621   | 3,257,724                 | 152,073   |
| Other Spanish West Indies..... | 51,412,387  | 1,437,935   | 70,779                    | 1,820     |
| Hayti.....                     | 4,617       | 76          | .....                     | .....     |
| Mexico.....                    | 212         | 16          | .....                     | .....     |
| New Granada.....               | 15,493      | 1,020       | .....                     | .....     |
| Venezuela.....                 | 302,206     | 8,941       | .....                     | .....     |
| Brazil.....                    | 9,516,004   | 355,764     | 1,615,453                 | 59,492    |
| China.....                     | 1,060,372   | 29,324      | .....                     | .....     |
| Asia generally.....            | 2,983       | 135         | .....                     | .....     |
| Africa generally.....          | 260         | 10          | .....                     | .....     |
| Total.....                     | 253,815,485 | \$7,793,616 | 5,103,741                 | \$221,206 |

IMPORT OF COFFEE INTO THE UNITED STATES.

A STATEMENT OF THE QUANTITY AND VALUE OF COFFEE IMPORTED INTO THE UNITED STATES FOR THE YEAR ENDING JUNE 30TH, 1849, COMPILED FOR THE MERCHANTS' MAGAZINE FROM THE REPORT OF THE SECRETARY OF THE TREASURY ON COMMERCE AND NAVIGATION.

|                     | Pounds.   |         | Value.             |             |           |
|---------------------|-----------|---------|--------------------|-------------|-----------|
|                     | Pounds.   | Value.  | Pounds.            | Value.      |           |
| Hanse Towns.....    | 714       | 56      | Oth. Spanish W. I. | 302,367     | \$13,584  |
| Holland.....        | 2,554,092 | 200,353 | Hayti.....         | 13,384,474  | 649,134   |
| Dutch W. Indies..   | 18,196    | 949     | New Granada....    | 28,783      | 1,731     |
| Dutch E. Indies..   | 4,208,078 | 232,302 | Venezuela.....     | 16,685,308  | 864,996   |
| Dutch Guiana....    | 21,540    | 1,517   | Brazil.....        | 122,581,133 | 6,776,727 |
| British E. Indies.. | 194,884   | 10,050  | Chili.....         | 127,200     | 8,790     |
| British W. Indies.. | 665,092   | 33,009  | Asia.....          | 45,300      | 4,030     |
| Manilla, etc.....   | 428,041   | 23,041  | Africa.....        | 88,462      | 6,915     |
| Cuba.....           | 4,000,986 | 221,168 |                    |             |           |
| Total.....          |           |         | 165,334,700        | 9,058,352   |           |

## A PROFITABLE COMMISSION BUSINESS.

The *Liverpool Standard* publishes the following account of sales of nett proceeds of sixteen crates earthenware, received per Treaty, from Rio de Janeiro, for account of the concerned, as follows:—

|                                                     |          |
|-----------------------------------------------------|----------|
| 16 crates earthenware for.....                      | \$450.00 |
| CHARGES.                                            |          |
| Entry at custom-house, &c.....                      | 15.00    |
| Certificate of landing.....                         | 17.50    |
| Duties on the same.....                             | 151.80   |
| Freight and primage.....                            | 319.50   |
| Lighterage on the same.....                         | 87.00    |
| Cartage and wharfage.....                           | 15.00    |
| Incidental expenses, boat-hire, &c.....             | 11.95    |
| Premium on coin, \$617.85 at 6 per cent.....        | 37.07    |
| Interest on \$718.52—3½ms., at 5 per cent.....      | 113.57   |
| Storage, 3 months.....                              | 95.00    |
| Commission to the house 5 per ct. )                 |          |
| Delererede do. 5 per ct. ) 20 per ct.....           | 90.00    |
| Supercargo's commission, 10 per ct. )               | 953.39   |
| Per 31st Jan., 1850, to debit of the concerned..... | \$503.39 |

The "account sales" are dated "San Francisco, 31st January, 1850," and the result of the sale may "point a moral" to many an intending adventurer to California.

## BRITISH TRADE IN FOREIGN WINES AND SPIRITS.

The annual circular of Messrs. Matthew, Clark, & Sons contains a Parliamentary return, moved for at the instance of their firm, of the imports and deliveries in detail of foreign wines and spirits for the United Kingdom during the years 1848 and 1849. As regards wine, the importations for 1849, which amount to 7,970,067 gallons, show an increase, as compared with the preceding year, of 433,587 gallons, the increase on the deliveries for home consumption being 115,315 gallons. With respect to spirits, the total importation of rum, in 1849, was 5,306,827 gallons, showing a decrease of 1,552,154 gallons. In the home consumption, however, there was an increase of 52,883 gallons. The returns, as to brandy, show, in both cases, a large augmentation. The total importation in 1849 was 4,479,549 gallons, against 2,429,089 gallons in the preceding year; and the home consumption was 2,187,358 gallons, against 1,609,004 gallons. Of Geneva, the importation was 471,232 gallons, which is an increase of 105,505 gallons; the home delivery showing also an increase of 3,178 gallons. Of British spirits generally, the consumption in 1849 was 22,962,012 gallons, which is an increase of 727,633 gallons, this increase being from Great Britain; Ireland showing a decrease of 99,600 gallons. The following is the proportion per cent which each description of wine bears to the total home consumption of all sorts for the year 1849:—Cape, 3.87; French, 5.30; Portugal, 42.36; Spanish, 39.16; Madeira, 1.14; Rhenish, 0.74; Canary, 0.32; Sicilian and other sorts, 7.11; total, 100.00. With regard to the total stocks of wine and spirits in bond on the 1st of January, it appears that the stock of wine was 8,983,557 gallons, being 235,712 gallons less than last year, and that the stock of spirits was 8,998,174 gallons, which is an increase of 1,034,473 gallons.

## COMPARATIVE NAVIGATION OF LONDON, LIVERPOOL, AND GLASGOW.

The comparative statement of the number of British ships, with their tonnage, which have entered inwards, and cleared outwards, from and to places within the limits of the East India Company's charter, from the 1st of January to the 30th of June, in the years 1849 and 1850, has just been issued by the British government. It appears, from the statistics of the entries inwards, that the return for the port of London presents an increase on the last half year of seven vessels, with 11,646 tonnage, the respective numbers being 306 vessels, with 148,134 tonnage; and 313 vessels, with 159,780 tonnage. In the case of Liverpool, the increase is 12 vessels, with 10,061 tonnage—the difference between 110 vessels, with 53,760 tonnage, and 98 vessels, with 43,699 tonnage. The return for the Clyde and other ports, presents an increase of 9 vessels, with 3,830 tonnage—the figures for 1849 being 24 vessels, with 7,927 tonnage; and for 1850, 33 vessels, with 11,757 tonnage.

## JOURNAL OF BANKING, CURRENCY, AND FINANCE.

### CONDITION OF THE BANKS OF RHODE ISLAND.

We are indebted to His Excellency, Henry B. Anthony, Governor of Rhode Island for the report of the Secretary of State, exhibiting the condition of the banks of the State of Rhode Island, on the 22d of September, 1849. This document is made from the returns to the General Assembly at its annual session, in compliance with the act of June, 1849. From this document we extract the aggregate of twenty-three banks in Providence, and thirty-eight banks out, as follows:—

|                                                          | 23 bank<br>in Providence | 38 banks out<br>of Providence. | Total, 61 banks.       |
|----------------------------------------------------------|--------------------------|--------------------------------|------------------------|
| Due from the banks.                                      |                          |                                |                        |
| Capital stock actually paid in.....                      | \$8,217,950 00           | \$3,079,602 50                 | \$11,297,552 50        |
| Bills in circulation.....                                | 1,346,692 25             | 1,178,857 00                   | 2,525,549 25           |
| Deposits on interest.....                                | 97,648 96                | 28,385 95                      | 126,034 91             |
| Deposits not on interest.....                            | 916,053 39               | 366,661 26                     | 1,282,714 65           |
| Debts due to other banks.....                            | 553,411 53               | 34,884 15                      | 588,295 68             |
| Dividends unpaid.....                                    | 16,857 30                | 11,539 12                      | 28,396 42              |
| Net profits on hand.....                                 | 493,918 06               | 190,645 52                     | 684,563 58             |
| <b>Total amount of liabilities.....</b>                  | <b>\$11,642,531 49</b>   | <b>\$4,890,575 50</b>          | <b>\$16,533,106 99</b> |
| Resources of the banks.                                  |                          |                                |                        |
| Debts due from directors.....                            | 281,962 41               | 447,288 93                     | \$729,251 34           |
| Debts due from stockholders.....                         | 287,595 30               | 250,484 59                     | 538,079 89             |
| Debts due from all others.....                           | 10,104,315 58            | 3,450,863 57                   | 13,555,169 15          |
| Specie actually in bank.....                             | 181,454 13               | 109,841 43                     | 291,295 56             |
| Bills of other banks.....                                | 339,286 09               | 104,159 06                     | 443,445 15             |
| Deposits in other banks.....                             | 213,632 89               | 271,285 29                     | 484,918 18             |
| Amount of its own stock held by bank                     | 34,938 50                | 50,210 26                      | 85,148 76              |
| Amount of other stocks owned by bank                     | 41,354 15                | 114,125 48                     | 155,479 63             |
| Real estate.....                                         | 152,875 69               | 83,734 91                      | 236,610 60             |
| Other property.....                                      | 5,116 75                 | 8,591 98                       | 13,708 73              |
| <b>Total amount of resources.....</b>                    | <b>\$11,642,531 49</b>   | <b>\$4,890,575 50</b>          | <b>\$16,533,106 99</b> |
| Bills in circulation.....                                | \$483,290 25             | \$299,512 50                   | \$782,802 75           |
| Increase of capital since last return...                 | 58,962 50                | 52,462 50                      | 111,425 00             |
| Amount of dividend.....                                  | 282,643 33               | 104,076 35                     | 386,719 68             |
| Suspended paper, bad or doubtful....                     | 71,248 13                | 82,429 84                      | 153,677 97             |
| Reserved profits at time of last dividend                | 304,453 33               | 122,107 42                     | 426,560 75             |
| Amount loaned on pledges of stock...                     | 115,112 50               | 219,357 76                     | 334,470 26             |
| Stock as collateral security for loans...                | 2,000 00                 | 39,955 68                      | 41,955 68              |
| Debts due and not paid.....                              | 177,551 42               | 310,135 09                     | 487,686 51             |
| Average semi-annual dividend of banks in Providence..... |                          |                                | 3.439                  |
| “ “ “ “ out of Providence.....                           |                          |                                | 3.379                  |
| “ “ “ “ all the banks.....                               |                          |                                | 3.4                    |

### STATE MUTUAL LIFE ASSURANCE COMPANY.

The fifth annual report of the State Mutual Life Assurance Company, of Worcester, (Massachusetts,) has been published. It exhibits a very satisfactory statement of the condition of the company at the close of the fifth year of its business transactions, June 1, 1850. It appears from this report that the number of policies issued in the year ending June 1, 1850, was 315; the amount at risk, \$2,243,375. The receipts of the company during the same period for premiums amounted to \$51,152 59; and for interest, \$9,419 58—showing a total of \$60,535 50. The net assets of the company on the 1st of June, 1849, amounted to \$107,163 33, making the total assets on the 1st

of June, 1850, \$167,735 50. After paying losses, (\$14,300,) interest on guarantee capital, salaries of officers, &c., commissions to agents, premiums returned to assured on policies surrendered, amounting in all to \$23,308, the company show a balance of net assets, on the 1st of June, 1850, of \$144,427.

The funds of the company, including the guarantee-capital stock paid in, are invested as follows:—

|                                              |             |
|----------------------------------------------|-------------|
| Loans on mortgage of real estate.....        | \$58,725 00 |
| Loans on personal securities and stocks..... | 77,121 68   |
| Balances in the hands of agents.....         | 4,505 92    |
| Cash in the hands of the Treasurer.....      | 4,074 31    |

The leading items of the business of the company in the four preceding years are exhibited in the following table, given in the report for the year ending June 1, 1849:

ABSTRACT OF POLICIES FOR FOUR YEARS.

|          | No. of policies. | Am't of risk. | Notes.     | Deposit. | Premiums.   | Fees.    | Total cash. |
|----------|------------------|---------------|------------|----------|-------------|----------|-------------|
| 1st year | 530              | \$900,725     | \$3,446 21 | \$861 77 | \$14,291 94 | \$138 00 | \$15,291 71 |
| 2d "     | 440              | 674,020       | 2,811 65   | 639 70   | 11,430 38   | 88 00    | 12,208 08   |
| 3d "     | 547              | 863,050       | 3,551 04   | 903 32   | 14,965 09   | 87 00    | 15,955 41   |
| 4th "    | 376              | 507,500       | 1,973 92   | 492 89   | 8,172 58    | 126 00   | 8,791 47    |
|          | 1,893            | 2,945,295     | 11,782 83  | 2,947 68 | 48,859 99   | 439 00   | 52,246 67   |

In regard to the premium notes required by this company the directors remark in their report, by way of explanation:—

"The cash premiums of this company are calculated on the most approved tables of the probability of life, at the lowest rates which were deemed safe, and in addition to these cash premiums, cash deposits of 6 per cent on these premiums is demanded to defray the expenses of management. As there was some apprehension that the reduction of the cash premiums below the prices heretofore demanded would not furnish funds to meet the liabilities of the company, it was determined to require also from the assured a premium note, the amount of which is calculated as follows:—Notes on lives between the ages of 15 and 25, amount to 15 per cent on the cash premiums paid; from the ages of 25 to 45, the notes amount to 25 per cent; and above the age of 45, the notes amount to 30 per cent on the cash premium paid. These notes are taken to provide for a possible deficiency in the amount of the cash premiums, but in the five past years the cash premiums have been found to be sufficient, and no demand has been made on the premium notes."

This company has a guarantee cash capital of \$100,000, the interest on which is limited to 7 per cent per annum.

LONDON AND WESTMINSTER BANK.

We are indebted to Henry T. Fairland, the Secretary of the London and Westminster Bank, for a copy of the report of the directors of that institution to the proprietors at the half-yearly meeting, held July 17th, 1850. From this report it appears that the net profits of the last half-year amounts to £33,339. Out of these profits the directors have declared a dividend at the rate of 6 per cent per annum, leaving £3,339 to be added to the surplus fund. That fund now amounts to £111,183. Most of our readers are aware that this bank and its branches are under the general management of JAMES WILLIAM GILBERT, F. R. S., the author of a "Practical Treatise on Banking," "Lectures on Ancient Commerce," etc., and a gentleman of rare accomplishments as a practical banker. The progress of the bank, however, furnishes the best evidence of its efficient and judicious management. The following table, showing the amount of paid-up capital, annual profits, dividends, and surplus fund of the London and Westminster Bank on the 31st of December in each alternate year, from the opening of the

bank, conclusively exhibits the remarkable success of the institution. It is derived from "Gilbarts' Practical Treatise on Banking," (vol. ii, page 469.)

| Years.    | Paid-up capital. | Profits of the year. | Dividends.    | Surplus fund. |
|-----------|------------------|----------------------|---------------|---------------|
| 1834..... | £182,255 0 0     | £3,540 6 6           | £2,334 18 1   | £1,205 8 5    |
| 1836..... | 597,255 0 0      | 32,483 14 1          | 29,864 0 0    | 4,527 0 6     |
| 1838..... | 597,280 0 0      | 43,635 12 11         | 29,864 0 0    | 20,839 4 1    |
| 1840..... | 597,280 0 0      | 48,951 8 10          | 35,836 16 0   | 48,215 3 11   |
| 1842..... | 800,000 0 0      | 55,118 14 2          | 48,000 0 0    | 63,126 10 10  |
| 1844..... | 800,000 0 0      | 51,081 18 11         | 48,000 0 0    | 69,904 15 4   |
| 1846..... | 800,000 0 0      | 72,175 15 9          | 48,000 0 0    | 98,424 12 1   |
|           |                  |                      | 16,000 Bonus. |               |
| 1848..... | 998,768 0 0      | 62,076 0 0           | 60,000 0 0    | 102,723 16 11 |
| 1849..... | 1,000,000 0 0    | 65,120 17 7          | 60,000 0 0    | 107,844 14 6  |
|           | £1,000,000 0 0   | £753,771 4 7         | £645,926 10 1 | £107,844 14 6 |

LEADING FEATURES OF THE BANKS OF SOUTH CAROLINA.

We publish below a comparative statement of the leading features of such of the banks of South Carolina as have accepted the provisions of the act of December 18th, 1840, from returns made to the Controller of that State, July 31st, 1850. We also subjoin the amount of the capital of six banks in South Carolina which have not accepted the act referred to above, and which only make their reports annually:—

| ASSETS.                                  |                      |              |             |
|------------------------------------------|----------------------|--------------|-------------|
|                                          | Loans and discounts. | Exchange.    | Specie.     |
| Bank of the State of South Carolina..... | \$1,437,051          | \$429,423    | \$330,116   |
| Branch, Columbia.....                    | 896,356              | 9,361        | 5,003       |
| “ Camden.....                            | 360,646              | 1,170        | 1,945       |
| South-western Railroad Bank.....         | 352,138              | 282,784      | 147,507     |
| Planters and Mechanics' Bank.....        | 826,620              | 249,564      | 353,562     |
| Union Bank.....                          | 746,464              | 167,693      | 102,554     |
| State Bank.....                          | 990,834              | 322,039      | 154,776     |
| Bank of South Carolina.....              | 741,823              | 411,231      | 79,075      |
| Total.....                               | \$6,351,932          | \$1,873,265  | \$1,174,538 |
| LIABILITIES.                             |                      |              |             |
|                                          | Capital.             | Circulation. | Deposits.   |
| Bank of the State of South Carolina..... | \$1,122,461          | \$1,097,842  | \$622,055   |
| Branch, Columbia.....                    | .....                | .....        | 112,988     |
| “ Camden.....                            | .....                | .....        | 29,491      |
| South-western Railroad Bank.....         | 869,425              | 478,755      | 223,345     |
| Planters and Mechanics' Bank.....        | 1,000,000            | 511,990      | 315,449     |
| Union Bank.....                          | 1,000,000            | 156,425      | 246,205     |
| State Bank.....                          | 1,000,000            | 407,489      | 326,115     |
| Bank of South Carolina.....              | 1,000,000            | 172,443      | 428,985     |
| Total.....                               | \$5,991,886          | \$2,824,944  | \$2,304,633 |

The following (being the balance of the banks in South Carolina) have not accepted the act referred to above, and only make their reports annually:—

|                                                                                   |         |              |
|-----------------------------------------------------------------------------------|---------|--------------|
| Bank of Charleston.....                                                           | capital | \$3,290,000  |
| Commercial Bank, Columbia.....                                                    |         | 600,000      |
| Bank of Camden.....                                                               |         | 300,000      |
| “ Hamburg.....                                                                    |         | 500,000      |
| “ Georgetown.....                                                                 |         | 200,000      |
| Merchants', South Carolina, Cheraw.....                                           |         | 400,000      |
| Total.....                                                                        |         | \$5,290,000  |
| Capital of banks that are required to make monthly reports to the Controller..... |         | 5,507,820    |
| Banking capital in South Carolina.....                                            |         | \$10,797,820 |

## COMMERCIAL AND FINANCIAL PROGRESS OF GREAT BRITAIN.

A correspondent of the *Railway Times* has gathered the following comprehensive statement, from new works published in London since the commencement of 1850, for the purpose of exhibiting the fact that, while the United States is advancing the mother country is by no means stationary:—

The expenses of administration in Great Britain since 1818 have been reduced by—

|                                                          |            |
|----------------------------------------------------------|------------|
| A retrenchment in the appropriation for the army of..... | £98,000    |
| “ “ “ “ navy.....                                        | 980,000    |
| “ “ “ “ ordnance.....                                    | 744,000    |
| “ “ “ “ miscellaneous.....                               | 181,000    |
| “ “ “ “ extraordinary expenses ...                       | 1,100,000  |
| <hr/>                                                    |            |
| Total.....                                               | £3,103,000 |
| The excess of income over expenses in 1849 has been..... | 2,098,000  |
| The balance in the Exchequer, January, 1850, was.....    | 9,748,000  |

Since the peace of 1815, the annual charge of the debt of England has been reduced from £32,938,741 to £28,323,961. This charge will be further reduced in 1867 £3,924,000, by the termination of annuities in which the same is funded. This will be equivalent to the extinguishment of one-fourth of the entire debt.

Since 1815 the population of Great Britain has increased 48 per cent. The amount of tonnage from 2,616,000 tons to 4,052,000 tons. The value of real and personal estate from £2,000,000,000 to £3,600,000,000. The annual exports from £36,000,000 to £58,848,000. The investment in railways has been £200,000,000.

Since 1815 the progress of the country has enabled the government at various periods to remit taxes to the amount per annum of £37,000,000. During the same time the revenue has, in the aggregate of thirty-five years, exceeded the expenses and interest of the debt by £36,000,000.

The agricultural productions of Great Britain are annually £180,000,000, of which one-third is grain—the residue cattle, sheep, wool, roots, dairy produce, &c.

The progress of Great Britain under the burthen of an oppressive debt and taxation is highly encouraging; and as the weight of that debt is now reduced more than one-half by the growth of wealth, population, and commerce, and consequent repeal of taxes, we may reasonably anticipate a more rapid progress for the future.

The repeal of the duty on grain has undoubtedly depressed the value of all cereal products; but to compensate this the duties on grass seed, oil cake, and manure have been abolished, great improvements made in agriculture, and the cost of transportation between the farm and the market greatly reduced by the creation of the railroad system. Some of the productions of the farm, for instance, wool and horses, are now higher than they have been for a series of years in England.

In the ten years, from 1839 to 1849, the increase in the metropolitan districts of London have been:—Increase of population, 324,000; new houses erected, 64,000; miles of new streets, 200. The annual rental of London is now £10,000,000.

## BANK CIRCULATION OF THE UNITED KINGDOM.

The circulation returns of the several banks of issue in the United Kingdom, for the month ending the 15th June, 1850, and for the corresponding period of 1849, have been as follows:—

|                        | June 15th, 1850. | June 16th, 1849. |
|------------------------|------------------|------------------|
| Bank of England.....   | £19,220,639      | £18,231,040      |
| Private banks.....     | 3,553,041        | 3,515,557        |
| Joint-stock banks..... | 2,745,227        | 2,661,306        |
| <hr/>                  |                  |                  |
| Total in England.....  | 25,518,907       | 24,407,903       |
| Scotland.....          | 3,471,528        | 3,380,902        |
| Ireland.....           | 4,241,811        | 4,046,475        |
| <hr/>                  |                  |                  |
| United Kingdom.....    | £33,232,246      | £31,835,280      |

## PROPOSED NEW COINS OF THE UNITED STATES.

The weight of the cent piece is only 25 grains, while that of the copper cent is 168 grains. The hole in the center, which makes the coin annular, beside affording a distinguishing mark by which it can be recognized in the pocket, will also render it difficult to be counterfeited.

The weight of the three cent piece is  $12\frac{3}{4}$  grains. This coin is proposed as a convenient adaptation to the prices of many things, and to making change; but there is also a special object contemplated in relation to it. The country is weary of the worn-out Spanish money, which, for the last century nearly, has had so prominent a place in its currency, and which is ill adapted to our decimal system. At the same time, every plan for forcing them to the crucible, as long as people hold them at their nominal value, or even a slight fraction under it, is sure to fail. The only resource left is to *coax* them to the mint, by exchanging them at the nominal value for national coin. This, however, could not be done with justice to the public treasury, without issuing, as many countries do, a minor coin, with a legal valuation somewhat higher than the intrinsic; as the present *cent* is, and as the new cent will also be.

The director of the mint issued circulars last winter to dealers in various parts of the country, and from the answers it appears that there are now six millions of dollars worth of small Spanish silver in our currency. The following is the total amount of small American silver coined to the beginning of this year:—

|                         |             |
|-------------------------|-------------|
| In quarter dollars..... | \$3,713,075 |
| In dimes.....           | 3,311,710   |
| In half-dimes.....      | 1,595,975   |
| Total.....              | \$8,620,760 |

The weight of the proposed three-cent piece is so adjusted as to enable the government to make the exchange without loss to itself, and there will be none to the party applying. The bill provides that the three cent piece shall be paid out at the mint, and its branches, in exchange for those and some other varieties of small foreign silver coins current among us, *but for no other kinds of coin or bullion.*

## GOLD COINAGE OF THE UNITED STATES MINT, PHILADELPHIA.

Colonel Snowden, the Superintendent of the United States Mint at Philadelphia, has furnished the *Inquirer* with the following particulars in relation to the gold coinage. The total amount of California gold received thus far at the Philadelphia Mint, and at the New Orleans Mint, is \$20,934,310.

## UNITED STATES MINT, PHILADELPHIA.

|                                                                     |                |
|---------------------------------------------------------------------|----------------|
| Gold deposits received in July, 1850.....                           | \$2,600,000 00 |
| Gold coinage, same period.....                                      | 1,927,835 00   |
| Silver deposits, ".....                                             | 40,837 14      |
| Silver coinage, ".....                                              | 24,350 00      |
| Copper coinage, ".....                                              | 1,236 03       |
| Amount of gold deposits received in 1850.....                       | 13,791,210 81  |
| " " coinage for 1850.....                                           | 12,669,466 50  |
| " silver deposits received in 1850.....                             | 286,342 62     |
| " " coinage for 1850.....                                           | 224,037 14     |
| " copper coinage for 1850.....                                      | 8,183 90       |
| Total amount of California gold received at the Philadelphia Mint.. | 18,350,000 00  |
| Ditto at Branch Mint at New Orleans.....                            | 2,584,310 00   |

## CALIFORNIA STATE DEBT AND REVENUE.

"We have no means at hand," says the *California Courier*, "to get hold of the State debt and the receipts into the Treasury, since the organization of the government. The debt, however, cannot be far from \$650,000, while the receipts to date are not over \$150,000. The taxes have been levied by the Legislature without judgment. The miners' tax on foreigners has been as yet the principal source of revenue; but that tax being \$20 for each man per month, renders this means of raising money a

total failure. Most of the foreigners are abandoning the mines. As yet the assessors over the State have not completed their labors, and on this account but few collectors have commenced their work. If all the revenue should be collected as provided for by the tax bill, the amount would exceed that of the State of New York."

#### CALIFORNIA GOLD DUST.

The *California Courier* publishes the following statement in regard to the amount of gold exported, and on hand to July 1st, 1850:—

|                                                                           |                 |
|---------------------------------------------------------------------------|-----------------|
| Amount on hand in San Francisco and Sacramento, is estimated at.          | \$2,000,000 00  |
| To leave by the steamer.....                                              | 800,000 00      |
| Still on hand.....                                                        | \$1,200,000 00  |
| Estimated amount shipped to the United States to July 1.....              | 23,000,000 00   |
| By the Pacific Mail Steamers from April 11, 1849,<br>to June 1, 1850..... | \$13,329,378 62 |
| By passengers.....                                                        | 5,000,000 00    |
| In all other vessels.....                                                 | 4,670,621 38    |
| Total ..                                                                  | 23,000,000 00   |
| Of this amount the house of Adams & Co. have shipped to date...           | 1,438,926 08    |
| Clean gold is held at \$16 a \$16 25.                                     |                 |

#### SAN FRANCISCO CITY FINANCES.

We copy from the San Francisco papers the subjoined statement of the finances of that city:—

The condition of all the records of the city renders a correct statement of its affairs totally impossible. As far as it is intelligible, we make it thus:—

|                                                                                                                               |              |
|-------------------------------------------------------------------------------------------------------------------------------|--------------|
| Amount due on the 3d instalment, for the sale of city lots, July 1, 1850.                                                     | \$107,602 00 |
| Due on the 4th instalment, October 3, 1850.....                                                                               | 107,602 00   |
| Total.....                                                                                                                    | \$215,204 00 |
| The admitted debt, as per Controller's statement, up to May 8th, 1850,<br>including the purchase of the Graham house, is..... | 199,174 19   |
| Excess over liabilities.....                                                                                                  | \$16,029 81  |

#### AMENDMENT TO THE BANKING LAW OF NEW YORK.

The Legislature of New York passed at its last session the following "act to amend the act entitled an act to amend the act entitled an act to authorize the Business of Banking," passed May 14th, 1840. The present act was passed April 10th, 1850, and was to take effect, as will be seen by the last section, immediately after its passage:—

SECTION 1. The fourth section of the act entitled "an Act to amend an Act entitled an Act to authorize the Business of Banking," passed May 14th, 1840, is hereby amended so as to read as follows:—

No banking association, or individual banker, as such shall issue or put in circulation any bill or note of said association or individual banker, unless the same shall be made payable on demand, and without interest, except bills of exchange on foreign countries, or places beyond the limits or the jurisdiction of the United States, which bills may be made payable at or within the customary usage, or at or within ninety days sight; and every violation of this section by any officer or member of a banking association, or by any individual banker, shall be deemed and adjudged a misdemeanor, punishable by fine or imprisonment, or both, in the discretion of the court having cognizance thereof.

SECTION 2. This act shall take effect immediately.

## THE SCOTCH EXCHANGE BANKS.

Amongst the train of evils which have followed the disastrous decadence in the market value of railway shares, one has borne with peculiar severity on Scotland; although indirectly many parties on this side of the Tweed have been, and are, involved with the sufferers. We refer to the failure of the "Exchange Banks," than which nothing has happened more commercially disastrous for Scotland for at least a quarter of a century.

These banks were the direct result of the railway mania. In 1844, when it commenced, the effect of the demand for calls was unforeseen by the greater portion of the speculators. They entered into the wildest and most extravagant undertakings, without attempting to estimate their capability of fulfilling their engagements. Calls were to be paid by the sale of shares, and the sale of shares was, in every case, to bring an enormous profit to the operator. Towards the end of 1845, and in 1846, more rational views of railway liability began to prevail. The first instalments of calls had been made; others were falling due; and those who were liable to provide for them began to look around for the means by which they were to obtain the temporary loan of funds for the purpose. Of course the loans were only required for a short period. The market had become flat. The holders of shares could not realize quite so large a profit by the immediate sale of stock as they expected, and intended to obtain; and temporary accommodation was required to enable these holders to meet present demands, without sacrificing their profits by selling shares. Accordingly, the banks were besieged by applicants for advances. Some of the banks in the country saw no objections to make the loans, and did so; but the majority of bankers, from the first, were shy of railway property. They could not exactly see their way to its ultimate value; and though it might greatly advance, they rather believed that it would fall. Hence the applications for loans on railway shares were generally declined; and some large railway capitalists determined, in consequence, to attempt the formation of a bank, for the express purpose of lending its capital and deposits on railway shares. This was the commencement of the exchange banks.

When the proposal was made known, the Scotch public eagerly adopted it. In the course of five or six months, half a dozen exchange banks had been projected, and were in course of formation. The Scotch, who had been the last to feel the influence of the railway mania, were more severely affected by it than any other portion of the community; and they were, perhaps, more in want of the accommodation which the exchange banks were intended to afford.

The principles on which these banks commenced were, that they would make advances on the deposit of railway stock of every description, provided that a fair margin was kept between the amount of the advance and the market value of the shares, and that they would also act as banks of deposit for those who wished to have their spare capital invested at a fixed rate of interest; the rate given by these banks being higher than that paid by ordinary bankers.

In a short time the banks were full of business. Those who had been wise enough to keep their capital disengaged from railway shares, purchased the shares of the exchange banks, and not a few of those who had been so fortunate as to realize money by their railway speculations did the same thing. A very respectable proprietary for nearly all the banks was therefore obtained, and the directors began to make advances on shares, and to receive money on deposits. The first half-yearly meetings were of the most satisfactory character. The business was described as pre-eminently safe. If a loan was made, a railway security was deposited, which could, at any time, be sold and realize more than the advance; for there was a large margin kept to provide for contingencies. Then the rate of interest taken for these loans was a little higher than the ordinary bank rates. A railway speculator did not mind 1 or 2 per cent above the market rate of discount, if he could obtain the money when he wanted it. Hence the dividends declared were highly satisfactory to the shareholders, and the stock commanded a premium; for there were bonuses in prospect, which must, of course, be calculated upon in estimating the value of the shares. So things continued for some time. When the crash came in the railway market, it made some of the shareholders look grave, but still the margin on the loans was a sheet-anchor, which, it was hoped, would prevent any injury to the banks.

Unfortunately, it turns out that this sheet-anchor only existed in idea; or where it actually did exist, the directors have allowed it to slip from them, so that the astounding fact has now been made known to the shareholders, that all these banks are insol-

vent; and that the most fortunate of them will lose four-fifths of their entire paid-up capital; in other words, a shareholder who invested £100, will, perhaps, be able to obtain a return of £20, when the concern is finally wound up.—*London Atlas*.

#### THE VALUE OF GOLD AND SILVER.

We copy from the London *Economist* the following letter addressed to the editor of that journal. Without, perhaps, imparting any new light on a subject of great general interest, it may lead to suggestions of importance, at the present time.

SIR,—Those persons who consider that the *value* of our *currency in England* may be affected by extraordinarily large imports of gold from California or elsewhere, must be presumed to be ignorant of the *incontrovertible fact* which heretofore has not been much, if at all, noticed, but whose effects have been silently in operation *ever since value* was first calculated by money.

1st. That *value* is estimated from a *unit, or one, in number, as a symbol.*

2nd. That a *symbol invariably denotes another thing.*

3rd. That *things which are equal to the same thing are equal to one another.*

The *unit of time* for instance, as a number, we acknowledge, is equally one, whether it be figured fractionally by centuries, years, days, hours, minutes, or moments—it is a unit—the unit of time. Talmudian, Egyptian, Chinese, Hindoo, or Gregorian numbers, in time, when summed up respectively, denote but one and the same—*unit in time.*

The *unit of value, as a number, is equally one, whether figured as a fraction or as a series of fractions, it is still but one whole—a unit of value.*

England says that 1 ounce of Troy weight of gold, of a certain *purity*, denotes in value £3 17s. 10½d.

France says that 1 kilogramme of gold, of a certain *purity*, denotes in value 3094 francs.

Spain says that 1 ounce of Spanish weight of gold, of a certain *purity*, denotes a certain number of Spanish dollars in value.

The United States of North America, Mexico, Peru, and Chili, and every country in the *civilized world* respectively say that a given weight and *purity* of gold or silver denotes a *unit, or one*; which again may be denoted by certain other numbers, or figures, or signs, which serve as symbols to represent *value.*

*Everywhere, in every country, figures, as numbers, are symbols* designed to denote another thing.

*Everywhere, in every language, words are symbols* designed to denote another thing.

Our Bullion Bill of 1819 is grounded upon, and may be upheld against, all controversialist opponents by these truths; and as long as the human understanding sees reason to believe that *purity* in quality and weight can be eliminated from gold and silver more perfectly than from other metals, or from other matter, so long will it be found that, in every country throughout the world, those metals will be availed of by man as his *standard unit, or standard one, of value.*

#### FINANCES OF THE BRITISH EAST INDIA COMPANY.

It appears by the home accounts of the East India Company, that the total receipts of the company for the year ending the 30th April, 1850, including a balance in hand on the 1st of May, 1849, of £1,344,431, was £6,390,526; and the disbursements £4,283,541, leaving a balance in favor of £2,106,977. The estimated receipt of the home treasury of the company, from the 1st of May, 1850, to 30th of April, 1851, is, including the above balance, £5,872,977; and the disbursements £4,223,207, leaving, it is presumed, a balance on the 30th of April, 1851, of £1,649,770. The debts of the company in England, on the 1st of May, 1850, were £5,328,240; and the credits £4,177,163, leaving debts in excess to the amount of £1,151,077. The salaries and allowances paid by the directors on account of the establishments of the company in England in the year ending 1st of May, 1850, was 126,304; and the number of persons employed was 512.

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**COMMERCIAL REGULATIONS.**


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**OF THE TEMPORARY ISSUE OF PAPERS TO VESSELS OF THE UNITED STATES.**

CIRCULAR TO COLLECTORS AND OTHER OFFICERS OF THE CUSTOMS.

TREASURY DEPARTMENT, *July 25th, 1850.*

In consequence of frequent inquiries addressed to this Department, respecting the issue of temporary papers to vessels of the United States, in the cases provided for by law, it is deemed proper to make it the subject of a special circular, in order that the legal requirements may be complied with at the several ports of the United States, and the proper uniformity of practice be maintained.

With this view, an extract from the circular of the first Controller of the Treasury, under date of the 25th of August, 1823, and a circular from the same office, under date of the 29th of August, 1794, are subjoined, to which the attention of the proper officers of the customs is directed for their information and government.

THOMAS CORWIN, *Secretary of the Treasury.*

Extract from Treasury circular, dated Treasury Department, Controller's Office, August 25th, 1823.

"Having reason to know, that notwithstanding the instructions communicated in a circular from this Department, under date of the 29th of August, 1794, there still exists a diversity of practice, in the course pursued, when the enrollment and license of a vessel expire whilst she is absent from the district to which she belongs, it has been concluded to subjoin hereto a copy of the circular in question, to which your particular attention is requested.

"According to that letter, a *temporary* certificate of registry is to be granted for such vessel, with which she is to proceed on her voyage; and according to the third section of the act for enrolling and licensing vessels, passed the 18th of February, 1793, such certificate of registry is required to be surrendered within ten days after the arrival of the vessel within the district to which she belongs, and in no case is a surrender to be made before such arrival; but, if it is understood, that in some districts *temporary* certificates of registry are received by collectors of districts, other than those to which the vessels belong, and *temporary* enrollments and licenses issued in lieu of them, which is considered to be irregular.

"There are cases, however, in which the law requires *temporary* enrollments and licenses to be issued. For instance, when an enrolled vessel is purchased by an agent, being in a district more than fifty miles distant, taking the nearest usual route by land, from the one comprehending the port to which, by virtue of such purchase, and by force of the provisions of law, such vessel is to be deemed to belong; when the enrollment of a vessel shall have been lost, destroyed, or mislaid, and she shall be in a district other than the one to which she belongs, &c.

"It therefore becomes proper that due attention be paid that the requisite discrimination be made in the different cases alluded to."

CIRCULAR TO THE COLLECTORS, NAVAL OFFICERS, AND SURVEYORS.

TREASURY DEPARTMENT, CONTROLLER'S OFFICE, *August 29th, 1794.*

It is understood to be the opinion of some of the officers of the customs that the penalties imposed by the sixth section of the act concerning the enrolling and licensing of vessels, do not extend to the case of a vessel which may depart from a port of the United States with a license which shall have expired during the absence of such vessel from her proper district; or in other words, that a license, although the term for which it was granted be expired, is sufficient to protect a vessel from the penalties of the law, during her absence from and until her return to the district to which she belongs. This opinion being erroneous, and having a tendency to create embarrassments in the execution of the law, requires to be corrected.

The true construction is, that the penalties of the sixth section extend to all vessels except such as are registered, which may be found employed in the coasting trade or fisheries, without a license in force, and the exemption in the proviso respects only the case of a vessel whose license shall have expired while such vessel was at sea, or on her passage from one district to another.

It cannot, therefore, be safe or proper for a vessel, not being registered, to depart from any port without a license in force. When a vessel is in this predicament, *without her proper district*, it will be lawful and necessary that her *enrollment and expired license* be surrendered to the collector of the district where she may happen to be, and that she take out a *temporary certificate of registry*, with which to proceed on her voyage. The authority for this mode of proceeding is contained in the third section of the law, and it is deemed to be the regular course, as it appears to be the design of the law *that all vessels should be licensed in the districts to which they belong*, except in cases where temporary licenses are to be issued to accompany temporary enrollments.

The trouble and expense incident to a temporary register may, in most cases, be avoided if the owners will take due care to avail their vessels of new licenses, under the provision contained in the tenth section, whenever the licenses of their vessels are ready to expire, and it is proposed to proceed on voyages of considerable length.

As there is reason to believe that vessels have in some instances been subjected to the payment of foreign tonnage duties and others to forfeiture, in consequence of the misconstruction of the law herein noticed, I have to request that the opinion now given may be properly communicated to the owners and masters of vessels employed in the coasting trade and fisheries.

It has been made a question, whether the seventh section of the registering act requires that *two* sureties should in all cases join in a bond for a certificate of registry, where the master of a vessel is the *sole owner*. On this point my opinion is, that one sufficient surety will satisfy the law, even though the characters of master and owner concur in the same person.

The interests of the public and of individuals being equally concerned in an impartial and proper execution of the law, I have to request, that all points on which a difference of opinion and practice is known to obtain may be seasonably communicated to this office.

I am, very respectfully, sir, your obedient servant,

OLIVER WOLCOTT.

#### OF PASSENGER VESSELS COMING TO THE CITY OF NEW YORK.

The following act passed the Legislature of New York April 10th, 1850. It is entitled "An Act to amend the Act entitled 'an Act concerning Passengers in Vessels coming to the city of New York,'" passed May 5th, 1847; also to amend the act entitled "An Act to amend certain Acts concerning Passengers coming to the city of New York, passed April 11th, 1849 :—

*The people of the State of New York, represented in Senate and Assembly, do enact as follows :—*

SECTION 1. The thirteenth section of the act entitled "An Act concerning Passengers in Vessels coming to the city of New York," passed May 5th, 1847, is hereby amended so as to read as follows :—

"Any ship or vessel, whose master or commander, owner or owners, shall have incurred any penalty or forfeiture under this act, or under the act of 11th April, 1849, amending the same, entitled 'An Act to amend certain Acts concerning Passengers coming to the city of New York,' shall be liable for such penalties or forfeitures, which may be a lien upon such ship or vessel, and may be enforced and collected by warrant of attachment, in the same manner as is provided in title eight of chapter eight of the third part of the Revised Statutes, all the provisions of which title shall apply to the forfeitures and penalties imposed by this act; and the said commissioners of emigration shall, for the purposes of such attachment, be deemed creditors of such ship or vessel, and of her master or commander, and owner or owners, respectively."

SECTION 2. The fifth section of the act entitled "An Act to amend certain Acts concerning Passengers coming to the city of New York," passed April 11th, 1849, is hereby amended so as to read as follows :—

"If any owner or consignee, as aforesaid, shall refuse or neglect to give any such bond or bonds as hereinbefore required, according to the second section of this act, for each person or passenger landing from his ship or vessel, within three days after the landing of such persons or passengers, or shall not within that time have paid the moneys authorized by said second section to be received in cases where such bonds are herein authorized to be commuted for, or shall refuse or neglect to give the bonds re-

quired by the third section of this act to be given in certain cases, on the requirement of the mayor of the city of New York, or other person discharging the duties of his office, made according to the provisions of said section, within six days after such requirement being so made; every such owner or consignee of such ship or vessel, severally and respectively, shall be subject to a penalty of five hundred dollars for each and every person or passenger on whose account such bond may have been required, or for whom such commutation money might have been paid under this act; such penalty to be sued for as provided for in the twelfth section of the said act hereby amended. In every case where any fine, penalty, or forfeiture, shall be incurred by the owner or owners, consignee or consignees, master or commander of any vessel arriving at the port of New York, under any of the provisions of the acts concerning passengers coming to the city of New York, passed 5th May, 1847, and of this act, by reason of their neglect or refusal to give the bonds of any of them, required by law, the consignee of such passengers, in relation to whom such neglect or refusal shall have occurred, all be liable in the same penalties, and may be sued and recovered against in the same manner as is by law provided in relation to the owner or owners, consignee or consignees of the vessel."

SECTION 3. The fifth section of the aforesaid act, passed 5th May, 1847, and amended by the tenth section of the aforesaid act, passed April 11th, 1849, is hereby amended so as to read as follows:—

"In all cases in which minor children of alien passengers shall become orphans by their parents, or last surviving parent dying on the passage to the port of New York, or in the marine hospital, or in any other establishment under the charge of the commissioners, the personal property which such parents or parent may have had with them shall be taken in charge by the commissioners of emigration, to be by them appropriated for the sole benefit of said orphan children; and said commissioners shall give, in their annual report to the Legislature, a minute statement of all cases in which property shall come into their possession by virtue of this section, and the disposition made of the same, unless it shall appear that there are other children or persons, entitled by will, or otherwise, to such property, or a distributive share thereof. Whenever it shall so appear, the portion only to which the said minor orphans would be legally entitled to, shall be applied to their use, and the remainder shall be received, held, and distributed to the parties severally entitled thereto, in the same manner, and with the same authority, as by law provided in respect to public administrators.

#### OF THE TREATY BETWEEN THE UNITED STATES AND CHILI.

CIRCULAR TO COLLECTORS AND OTHER OFFICERS OF THE CUSTOMS.

TREASURY DEPARTMENT, *April 25th, 1850.*

This Department has been officially notified by the Secretary of State, under date of the 24th instant, that the treaty between the United States and Chili, of the 16th May, 1832, terminated on the 20th of January last, the notice given by the Minister of Chili, in pursuance of the 31st article of said treaty, having taken effect on that day.

In consequence of the termination of said treaty, the provisions of the laws of the United States which apply to vessels and their cargoes of nations between which and the United States there are no subsisting treaties of commerce and navigation, will be applicable to Chilian vessels and their cargoes arriving in ports of the United States from and after the 20th of January, 1850. Chilian vessels will be subject to a tonnage duty of one dollar per ton, (including light-money,) and ten per cent additional duty on their cargoes.

W. M. MEREDITH, *Secretary of the Treasury.*

#### TELEGRAPH TARIFF ON MORSE'S LINE TO BOSTON, ETC.

FRANCIS O. J. SMITH, the President of Morse's Telegraph Company to Boston and Portland, and all intermediate stations, published on the 1st of May, 1850, the following notice, reducing the rates of tariff:—

On and after May 1st, 1850, the charges for transmission of ten words (or less) to Boston, or any of the intermediate stations; namely, Stamford, Bridgeport, New Haven, Meriden, Middletown, Hartford, Norwich, New London, Springfield, Worcester, Providence, Pawtucket, New Bedford, Bristol, Warren, Woonsocket, Fall River, and

Taunton, will be twenty cents, and for each added word, two cents. The charges on the line from Boston to Portland is also reduced to twenty cents for the first ten words, (or less,) and one cent for each added word. The date, address, and signature of communications are not charged for, and patrons will oblige by giving each in full. The words "answer by telegraph" not charged for.

JOURNAL OF MINING AND MANUFACTURES.

COTTON MANUFACTURES AT THE WEST.\*

Most of our readers have, no doubt, taken more or less interest in the controversy which has been going on, partly in our own pages, respecting the comparative advantages of steam-power and water-power for manufacturing purposes, and particularly for the cotton manufacture; and in connection with this question, the comparative advantages for manufactures of the North and the South. A new party to the controversy now steps in—the West—and in the pamphlet before us, from the pen of HAMILTON SMITH, Esq., of Louisville, Kentucky, the advantages for manufacturing by steam-power presented by the coal-fields of the West, are pointed out with much force. The coal of the West, we must remember, is not the anthracite, to the use of which we of the seaboard are as exclusively accustomed as they are in England to the bituminous kinds; but it is the same bituminous coal which has made England the great iron and cotton manufacturer of the world.

There are two great beds of this coal in the United States; one running along the Alleghanies from Pennsylvania to Alabama. The State of Illinois is the other. At the point where this bed comes to the Ohio River, and enters Kentucky, stands the town of Cannelton, in Perry county, Indiana. A noble factory has already been erected there. The coal measures in the immediate vicinity of the town are of great richness, and excellent quality. Whether Cannelton, and the enterprises of which it is the pioneer, will be able to sustain the rivalry of England, and New England; whether the advantages of immediate proximity to the cotton-field will countervail the advantages of great capital, and long experience, time will soon show. But if any reliance can be placed upon calculations—if there is any truth in figures—the following statements from Mr. Smith's very able pamphlet, must convince every one of the advantages for manufacturing cotton possessed by Cannelton:—

A cotton-mill of 10,000 spindles, and corresponding machinery, for making coarse brown cottons, will require a fixed and working capital of less than \$300,000; will operate with 43 men and 229 women and children; will require say 50,000 bushels of coal, and work up 1,800,000 pounds cotton yearly.

This cotton can be laid down at the mouth of the Tradewater, at Bon Harbor, or at Cannelton, as cheap as at New Orleans.

The freight, insurance, interest *in transitu*, wastage, commission, &c., from the New Orleans levee, and through the cotton-press, to Manchester, Glasgow, Lisle, or Bruges, will average over 1½ cents per pound.

|                                                               |          |
|---------------------------------------------------------------|----------|
| Our mill saves this, or .....                                 | \$27,000 |
| Difference in coal in our favor over 4 cents per bushel ..... | 2,000    |
| Difference in starch, oil, wood, &c., &c., over .....         | 1,000    |
|                                                               | \$30,000 |

England has no advantages over us, in making those coarse fabrics, save in the abun-

\* Cannelton, Perry County, Indiana, at the Intersection of the Eastern Margin of the Illinois Coal Basin, by the Ohio River; its Natural Advantages as a Site for Manufacturing. Published by the American Cannel Coal Company. Louisville: printed at the Journal Office. 1850.

dance and low rate of her capital, and this is nearly, or quite, neutralized by her distance from the raw material, and the necessary use of a greater capital in its conversion, either in the hands of a ship-owner, factor, or manufacturer.

But, for the argument, we will suppose that the Englishman only requires \$300,000 for the mill; that he is satisfied with 4 per cent dividends, and we require 8 per cent. In this item, then, he has the yearly advantage of \$12,000.

There is abundant evidence to show that the New England mills can make a pound of coarse cottons cheaper than their Manchester competitors; and there is abundant evidence that we can make up the same quantity cheaper than the New Englander; yet, as this question of wages is a stumbling-block to our people, who have not examined the subject, we will show the doubters the weakness of their doubts, by supposing that our Ohio River mill will pay Lowell wages, and that the English mill-owner can get his work done at half our prices. However, when we are clothing the English army in India, and against a differential duty of 15 per cent, this supposition would really seem absurd.

|                                                                                                     |          |
|-----------------------------------------------------------------------------------------------------|----------|
| Well, at the Lowell rates, the yearly cost of the 45 men, at 80 cents per day, is for 300 days..... | \$10,820 |
| And of the 229 women and children, at \$2 per week, for 52 weeks, is....                            | 23,816   |

|                                                                             |          |
|-----------------------------------------------------------------------------|----------|
| Or total.....                                                               | \$34,136 |
| One-half of this is.....                                                    | 17,068   |
| To which add the supposed difference against us in the use of capital, or.. | 12,000   |

|                  |          |
|------------------|----------|
| And we have..... | \$29,068 |
|------------------|----------|

as the sum of the advantages of the English manufacturers, and less than the sum of our known, and certain, and *unchangeable* advantages of \$932 per annum; and this not for our home market, but for markets equally near to both. For our home markets, we have the further advantage of the cost of bringing four and a half millions yards of cotton, or over \$45,000 per annum.

By the time that we have supplied our home market with the coarse cotton fabrics, we shall have the skill, machinery, and capital to produce these at a lower relative cost, and to compete with foreign manufacturers in the finer fabrics of cotton.

#### THE INDUSTRIAL PROGRESS OF THE NATION.

We have received a copy of a truly splendid oration delivered by the Hon. Robert Rantoul, Jr., at Concord, in Massachusetts, on the celebration of the seventy-fifth anniversary of the battles of Concord and Lexington.\* This was the occasion of the shedding of the first blood in the war with Great Britain. In the glowing language of the orator, "The site of the Old North Bridge at Concord is the pivot on which the history of the world turns. The volley fired for freedom there, reverberated through a series of revolutions. The route which then begun, was but the beginning of the disasters and retreats of despotism, not yet ended. Before the first shot had been fired that morning to repulse the regulars, self-government was a dream; since that moment, it has grown to be a fact fixed as the everlasting hills." Thus comprehending the occasion in all its greatness and grandeur, and momentous results, the eloquent orator has not only presented us with a graphic sketch of the exciting scenes of that ever-memorable day, but as if inspired by the contemplation of them to still loftier themes, he has unfolded before us, with translucent clearness, the secret and hidden manner by which these events are all interwoven in the great drama of human existence. On this subject the oration is unsurpassed. Progress, and the laws of progress, with its incidents, are illustrated with great force from the records of the past. Accompanying the address, there is a running sketch of the other proceedings at this celebration, which will thrill the bosom of every son of Massachusetts with intense emotions of

\* An oration delivered at Concord on the celebration of the seventy-fifth anniversary of the events of April 19th, 1775, by Robert Rantoul, Jr. Delivered before the Massachusetts Legislature, and published by their order.

pride and gratification. The remnant of the old veterans was there, and rehearsed the deeds of that fearful day. Mr. Rantoul, the author of this address, is one of the distinguished men of his native State. A lawyer by profession, he has no superior at the bar, where Webster and Choate appear as antagonists. As a public man, and a statesman, he is less known to the public, from having been constantly attached to the party of the minority; but, on all occasions, he has proved himself a man of pre-eminence ability, and of wonderful advancement of mind.

The following extract, which is more peculiarly appropriate to our pages, presents a surprising statement of the wonderful progress of some branches of the industry of the United States since the day on which the conflict at Lexington and Concord took place:—

Our present population is nine times that of the day of the Concord fight, and a continuance of the same ratio, for the same period, to the year nineteen hundred and twenty-five, will extend the blessings of this Union over more than two hundred millions of souls. Then the orator who shall stand upon this spot, will show that all these are not crowded, but that there is room for more. There is no probability that this aggregate will be less than double the whole population of the United Kingdom of Great Britain and Ireland, together with the French Republic.

Our present wealth is more than forty times that of the colonies seventy-five years ago. The annual income of the nation is at least twenty-five times as great as it was then. Our annual income was then about one-tenth part that of France; now it is nearly equal to that of France, and is gaining very rapidly upon that of the British Empire. Of the great element of power over physical nature, coal, our production is now greater than that of the world seventy-five years ago. Of iron, the chief instrument with which man subdues nature to his purposes, our product is greater than that of all the world seventy-five years ago. Of gold, the other main sinew of war, and the negotiator of the exchanges of peace, we produce more than the rest of the world now does. Our cotton manufactures exceed those of the whole world seventy-five years ago. Our tonnage exceeds that of the world seventy-five years since. It will soon surpass that of the British Empire, and, in a few years, much short of three-quarters of a century, it will far surpass that of the rest of the world. We have more printing-presses in operation, and more printed volumes in the hands of our people, than the whole world had on the day of the Concord fight. More newspapers are printed in the city of Boston every day than the whole world then produced. Since that day, America has produced the steamboat, and adopted the locomotive, and there are more steam-engines employed in Massachusetts than were then used in the world.

#### THE WORLD'S EXHIBITION OF THE PRODUCTS OF INDUSTRY.

It will be seen by the following statement which we compile from the English papers, that the long deliberations as to the buildings to be erected for the exhibition of 1851, have been terminated by a decision in favor of Mr. Paxton's design and estimate:—

Mr. Paxton suggests a building chiefly of glass—in fact, a huge but elegant glass-house. The great feature in its erection is, that no stone, brick, or mortar will be necessary. All the roofing and upright sashes will be made by machinery, fitted together, and glazed with rapidity, most of them being finished previous to being taken to the place, so that little else will be required on the spot than to fit the finished materials together. The whole of the structure will be supported on cast iron columns, and the extensive roof will be sustained without the necessity for interior walls for this purpose. If removed after the exhibition, the materials may be sold far more advantageously than a structure filled in with bricks and mortar, and some of the materials would bring in full half the original outlay. Complete ventilation has been provided by filling in every third upright compartment with luffer boarding, which would be made to open and shut by machinery; the whole of the basement will be filled in after the same manner. The current of air may be modified by the use of coarse open canvass, which by being kept wet in hot weather, will render the interior of the building much cooler than the external atmosphere. In order to subdue the intense light

in a building covered with glass, it is proposed to cover all the south side of the upright parts, together with the whole of the roofs outside, with calico or canvass, tacked on the ridge of rafters of the latter. This will allow a current of air to pass in the valleys under the calico, which will, if required, with the ventilators, keep the air of the house cooler than the external atmosphere. To give the roof a light and graceful appearance, it is to be on the ridge and furrow principle, and glazed with sheet glass. The ridge and the valley rafters will be continued in uninterrupted lines the whole length of the structure, and be supported by cast iron beams. These beams will have a hollow gutter formed in them to receive the rain water from the wooden valley rafters which will be thence conveyed through the hollow columns to the drains. These drains will be formed of ample dimensions under the whole of the pathways throughout. The floors of the pathways to be laid with trellis-boards three-eighths of an inch apart, on sleeper joists. This kind of flooring is both economical and can always be kept clean, dry, and pleasant to walk upon. The gallery floors are to be close boarded. No timber trees need be cut down, as the glass may fit up to the boles of the trees, leaving the lower branches under the glass during the exhibition; but Mr. Paxton does not recommend this course, as, for the sum of £250 he would engage to remove and replace every living tree on the ground, except the large old elms opposite to the Prince's gate. Only a few years ago the erection of such a building as the one contemplated would have involved a fearful amount of expense; but the rapid advance made in this country during the last forty years, both in the scientific construction of such buildings and the chief manufacture of glass, iron, &c., together with the amazing facilities in the preparation of sash-bars and other wood-work, render an erection of this description, in point of expense, quite on a level with those constructed of more substantial materials.

#### MANUFACTURE OF NEEDLES IN NEW JERSEY.

It appears from the *Newark Advertiser* that Mr. William Essex, formerly of the celebrated establishment of R. Hemming & Son, of Reddich, Eng., and who was the first to make the celebrated drill-eyed needles for that house, has a manufactory in the vicinity of Newark for manufacturing needles on that principle, which are said to be equal to "Hemming's best," now imported.

The wire used is made in England expressly for the purpose—the manufacturers of this country not having yet accomplished the manufacturing of wire suited to this purpose. It is first cut into suitable lengths, according to the size of the needles to be made, when they are straightened and pointed on a stone, which is required to be turned with great velocity: they are then stamped, or an impression made upon them where the eye is to be made; after which the eye is punched by means of a press invented for that purpose. The burr made by stamping the eye is filed smooth, after which the hardening and tempering is performed, and then they are again straightened, so as to make their shape perfect. By means of machinery they are scoured and brightened, and the closing processes are, the assorting them by placing the heads and points their respective ways, the eyes blued, or the temper at that point taken out, that they may not cut, and the drilling, countersinking and burnishing the eyes.

This peculiar branch of manufacturing, although not entirely new, is nevertheless of somewhat recent origin in this country; and so much inclined are the manufacturers of England to stop its progress in this country, that they have, as we understand, repeatedly attempted to induce Mr. Essex to return to England; and it is a matter of importance to them, inasmuch as he is said to be not only the first inventor, but the only person employed by Hemming & Sons who has emigrated to this country for the purpose of establishing this business. Not only does he manufacture the ordinary sewing needles, but he makes points of different kinds used in machinery.

#### ORES BROUGHT TO SWANSEA, ENGLAND.

A correspondent of the *London Morning Chronicle* says that "the only foreign ores used in this country are imported from South America, the foreign West Indies, and Australia. The mines in those countries are worked chiefly by English adventurers, the head-quarters of the several companies being in London. These companies charter vessels of large burden to convey the ores from Chili, Cuba, and Australia to Swansea, where they are stowed in yards, crushed, sampled, and sold to the respective copper-masters at the "ticketings," one of which I described in my last communication.

The vessels engaged in this trade are almost entirely ships and barks of from 500 to 1,000 tons burden, manned by crews numbering from 16 to 25 hands, whose pay is the same as that of the seamen engaged in other branches of our maritime commerce. A ship trading round Cape Horn with Chili makes a voyage out and home in from eight to ten months; a vessel trading with Australia makes one voyage, and a vessel trading with Cuba two voyages a year."

#### COTTON MANUFACTURES IN THE SOUTHERN STATES.

The Savannah *Republican* says it has been estimated that there are now in operation in Georgia 40 mills, employing nearly 60,000 spindles, and consumes 45,000 bales of cotton annually. This estimate the editor of the *Republican* considers below the true mark, as no calculation is made of the Georgia paper mills, bucket factories, iron establishments, flouring mills, etc. In Tennessee it has been reported to the Secretary of the Treasury that there are 30 factories, employing 36,000 spindles. In South Carolina the Hon. William Gregg says that there are 16 factories, containing 36,500 spindles, and about 700 looms, consuming 15,000 bales of cotton per annum. He estimates the capital invested in these establishments at about one million of dollars, and the number of operatives they give employment to at 1,600. There are in Alabama 12 factories, with a capital of \$500,000, containing 12,580 spindles, and 300 looms, and consuming about 5,500 bales of cotton annually. It is said that machinery for others is contracted for sufficient to make the number of spindles 20,000, and the looms 550.

Thus we have in four States ninety-eight manufactories of various descriptions of cotton goods, containing 140,000 spindles.

The *Republican* expresses the opinion that "at the end of the next five years there will be, perhaps, two hundred cotton factories in operation in the Southern States, consuming nearly 250,000 bales per annum, and giving employment to 25 or 30,000 operatives. The effects of such a diversion of labor upon the productions of the South, the price of the cotton, and the habits of those who will likely be employed as operatives must be immense. All the cost of the transportation of the raw material to England, of its manufacture there, and its transportation back to this country, will be saved to our people. The general price of cotton will be increased by the competition which will ensue between the manufacturing establishments of Europe and the Northern and Southern States; and great good to society must result from the employment of thousands of idle and immoral persons, who are now consumers and not producers."

#### NEW COTTON FACTORY AT MOBILE.

We learn from the *Mobile Tribune* that the factory building is of wood, one hundred feet long by thirty-six feet wide, and three stories high, all well lighted and ventilated by numerous doors and windows. It is calculated for 2,700 spindles. All the machinery has not yet arrived, but within a month or two it will be in Mobile, when the whole will be arranged in place and go fully into operation. The proprietor is now putting up 1,200 spindles, 36 looms, and the requisite machinery, battling cards, &c., also a machine-shop for repairs. When completed, and in operation, the factory will require from four to five hundred bales of cotton a year, and find employment for about 75 operatives. The motive power is steam. A superbly finished engine, of four horse power, is now in operation. The boilers, engine-room, and chimney, are all strongly and well built; the latter being a massive brick structure, seventy-five feet high.

#### IRON MOUNTAIN IN WISCONSIN.

A few days since, says the *Mineral Point Tribune* of July 12, we were shown a specimen of iron ore, brought from Black River, Crawford county, the quality of which surpasses any iron ore which we have before seen. So pure is it that it is thought by good judges that smelting-furnaces will be unnecessary for obtaining the pure metal—it yielding about ninety per cent pure iron. The amount of ore is said to be very great, it covering at least forty acres. Other veins have been discovered near by, and, if our

informants are not very much deceived, this discovery is sure to add much to the already extensive mineral wealth of Wisconsin. Specimens have been sent to experienced iron-masters at the East, who pronounce it of a superior quality. An abundance of timber and water-power is near at hand, for carrying on furnaces—and, as it is near navigable water, it must soon become a source of profit to the enterprising gentlemen who have surveyed and located the land for the purpose of erecting iron-manufactories at no very distant day.

## RAILROAD, CANAL, AND STEAMBOAT STATISTICS.

### PROVIDENCE AND WORCESTER RAILROAD.

This road extends from Providence to Worcester, a distance of 43 miles; passing through a number of flourishing manufacturing villages. As the road has been in operation but a short time, comparatively, we here subjoin a table of places, distances, fares, &c., compiled from the *American Railway Guide* :—

| Places.      | Miles. | Fares. | Places.        | Miles. | Fares. |
|--------------|--------|--------|----------------|--------|--------|
| Providence*  | ..     | ....   | Millville      | 20     | \$0 85 |
| Pawtucket    | 4      | \$0 15 | Uxbridge       | 25     | 0 85   |
| Valley Falls | 6      | 0 25   | Whitins        | 26     | 0 95   |
| Lonsdale     | 7      | 0 30   | Northbridge    | 31     | 1 00   |
| Ashton       | 9      | 0 35   | Farnums        | 33     | 1 10   |
| Albion       | 11     | 0 40   | Grafton        | 34     | 1 20   |
| Manville     | 12     | 0 55   | Sutton         | 35     | 1 20   |
| Hamlet       | 15     | 0 60   | Millbury       | 37     | 1 25   |
| Woonsocket   | 16     | 0 75   | Grand Junction | 42     | 1 30   |
| Waterford    | 18     | 0 80   | Worcester      | 43     | ....   |
| Blackstone†  | 18     | 0 80   |                |        |        |

The bonds of the Providence and Worcester Railroad Company, which were issued three years ago to procure funds for completing the road, as we learn from the *Providence Journal*—good authority—matured in August, 1850, and were promptly met. The amount outstanding was \$424,000. The funds to meet the payment were procured by a re-issue of the bonds of the company for \$400,000—equivalent to a renewal of a like amount of the old bonds. The residue of the amount (\$24,000) was taken from the net earnings of the road on hand. The new bonds are payable as follows :—\$50,000 in one year; \$50,000 in two years; \$300,000 in ten years; and bearing an interest of 6 per cent per annum. They were all negotiated *at par*. It is the intention of the Board, we learn, to pay off that portion of the bonds becoming due in 1851 and 1852, in amount \$100,000, by applying for that object a similar amount of the net earnings of the road during the years 1851 and 1852. This being accomplished, the directors feel confident that there will be sufficient funds in the treasury remaining, of the net earnings of the road, to enable them to pay to the stockholders a cash dividend at the close of the year 1852, with every reasonable expectation of paying thereafter regular semi-annual cash dividends from the income of the road.

It appears from the fifth annual report of this company, as returned to the Legislatures of Massachusetts and Rhode Island, that the capital stock paid in amounts to \$1,467,500; the total cost of the road and equipment to the close of 1849 amounted to \$1,939,666. The gross income in 1849 amounted to \$217,253; and the net earnings, after deducting expenses, to \$116,022. A dividend of 40 per cent on stock was made

\* Trains connect at Providence with the Boston and Providence Railroad, and also with the Stonington and Providence Road. † The Norfolk County Road connects at Blackstone with the Providence and Worcester.

in May, 1849, and 3 per cent in cash, December, 1849—the stock dividend amounting to \$116,600, and the cash to \$43,725. The total expenditures for working the road during the year was \$101,231, and the interest paid on the bonds of the company was \$33,784.

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#### EASTERN RAILROAD REPORT.

The annual report of the directors of the Eastern Railroad Company to the stockholders for the year ending June 30th, 1850, furnishes a minute and very satisfactory account of the condition of the affairs of the company in every respect.

It appears from this report that in 1843 the road was considered as completed. The property on hand was then valued, and its amount taken out of the construction account, to which it did not properly belong, and the whole amount of the latter, on the 30th of June of that year, was \$2,128,324 18; it is now \$3,120,391 67.

In 1843, there were in operation 66 miles of track—now there are 89. In the year ending June 30, 1843, there were carried 439,720 passengers, and 19,262 tons of freight. In that ending June 30, 1850, there were carried 1,037,510 passengers, and 79,450 tons of freight. In the year 1842-3, the gross receipts were \$266,455 11. In 1849-50, they were \$535,414 44. The construction account then has increased 47 per cent. The length of track is now 33 per cent, passenger business 150 per cent, freight 400 per cent, and gross receipts 100 per cent above those of 1843.

By an accurate investigation of the accounts it appears that the expense of operating and maintaining the road, the cost of renewals, and the amount paid for accidents incident to the business, exclusive of interest, during the seven years last past has been..... \$1,331,258 09  
Of which for operating and maintaining the road..... 1,106,840 08  
Renewals of rails, bridges, stations, and equipment, contingencies, accidents, &c..... 224,418 01  
The number of miles run by trains during this period has been..... 1,708,247  
Showing the cost per mile run of the aforementioned items to have been, for maintaining and operating the road..... 64.794  
For renewals and contingencies..... 13.187

Making a total cost per mile of..... 77.931

The expenses and income of the branches of the Eastern Railroad have been, in 1849-50, estimated as follows:—

	Cost of operating.	Gross income from it.
Marblehead.....	\$5,187 12	\$6,438 22
Gloucester.....	8,439 05	27,220 39
Salisbury.....	4,659 93	4,211 63

The average, therefore, for miles run on the main road would be somewhat greater, and that for branches less, than the general average before shown.

The result of the last year's business, whether we consider the actual profit in a season of great pressure, or its relative income to the stockholders upon its cost, as compared with other roads in this State, ought to be satisfactory. The per centage profit on the amount paid in by the stockholders, in the year 1849, of the seven principal railroads in Massachusetts, as appears by the legislative reports, have been on each \$100 as follows:—

Boston and Providence.....	5.836, and on the total cost of the road	5.66
Boston and Worcester.....	" " " "	6.07
Boston and Maine.....	" " " "	6.71
Boston and Lowell.....	" " " "	8.00
Fitchburg.....	" " " "	6.90
Western.....	" " " "	7.61
Eastern.....	" " " "	8.40

This statement is not made to show the relative value of the stocks of these several roads. A single year's work affords no adequate criterion of their capabilities. There are many considerations besides an immediate income that enter into a correct estimate of their value. There probably are many circumstances that if known would qualify materially the impression that these annual reports may give. Such comparisons may tend to bring them out, and are here introduced with that view.

Full tables of receipts, expenses, &c., of the road for the year ending 30th of June are given in the appendix to the report. The Eastern Railroad is one of the best managed roads in the country. John Kinsman, Esq., the superintendent of this road, has no superior in a similar capacity. To large experience he unites great energy and untiring industry. He is, we believe, a self-made and thoroughly practical engineer.

OPERATIONS OF THE RAILROADS OF MASSACHUSETTS—1842 TO 1849.

COMPILED FROM MASSACHUSETTS RAILROAD REPORTS FOR THE MERCHANTS' MAGAZINE.

Years.	Length, including branches.	Cost.	Passengers.	Receipts.			Total.
				Freight.	Mails, &c.		
1842...	433	\$19,241,858	\$1,217,866	\$669,682	\$84,239	\$1,971,787	
1843...	460	19,971,593	1,236,231	783,416	81,137	2,118,284	
1844...	460	20,396,055	1,498,026	963,863	80,343	2,559,969	
1845...	462	21,572,820	1,612,625	1,163,010	100,323	2,895,219	
1846...	619	27,034,927	2,018,163	1,467,969	119,217	3,642,171	
1847...	712	32,796,363	2,509,784	2,205,840	196,721	4,964,532	
1848...	778	40,941,676	2,849,722	2,335,407	176,753	5,405,845	
1849...	944	45,125,768	3,033,701	2,411,307	252,991	5,741,799	

Years.	Road-bed.	Expenses.			Total.	Net income.	Net income per cent on cost.
		Motive-power.	Miscellaneous.				
1842....	\$190,844	\$163,330	\$605,226	\$959,400	\$1,012,387	\$5 26	
1843....	182,530	151,964	666,819	1,001,313	1,116,971	5 59	
1844....	217,454	219,290	670,836	1,107,580	1,452,389	7 12	
1845....	247,033	246,878	786,873	1,281,031	1,614,188	7 48	
1846....	313,798	351,562	1,050,604	1,696,576	1,945,595	7 20	
1847....	480,040	438,088	1,434,790	2,372,453	2,592,078	7 94	
1848...	484,009	498,556	1,754,419	2,741,604	2,666,411	6 51	
1849...	579,430	530,949	1,679,613	2,890,818	2,850,981	6 32	

Years.	Passenger trains.	Number of miles run.			Total.	Total receipts per mile run.	Total expenses per mile run.	Net income per mile run.
		Freight trains.	Other trains.					
1842	824,062	420,583	90,056	1,334,701	\$1 48	\$0 72	\$0 76	
1843	886,183	480,444	92,252	1,458,879	1 47	0 70	0 77	
1844	939,598	549,065	66,940	1,555,603	1 65	0 72	0 93	
1845	1,010,510	606,288	94,630	1,715,538	1 63	0 75	0 88	
1846	1,438,737	746,547	145,708	2,339,484	1 56	0 73	0 83	
1847	1,789,038	1,181,432	206,673	3,177,143	1 56	0 75	0 81	
1848	2,112,496	1,220,319	261,774	3,598,089	1 50	0 76	0 74	
1849	2,330,891	1,243,739	232,122	3,806,752	1 51	0 76	0 75	

Years.	No. of passengers carried in the cars.	No. of passengers carried one mile.	No. of tons of merchandise carried in the cars.	No. of tons of merchandise carried one mile.
1843.....	.....	.....	.....	.....
1844.....	.....	.....	.....	.....
1845.....	.....	.....	.....	.....
1846.....	4,752,818	82,024,265	1,140,265	39,395,040
1847.....	5,341,341	99,870,187	1,661,218	66,898,693
1848.....	6,728,427	118,005,742	1,894,182	64,577,165
1849.....	8,336,854	136,090,360	2,025,727	66,734,312

Years.	Weight, in tons, of passenger trains, not including passengers, hauled one mile.	Weight, in tons, of freight trains, not including freight, hauled one mile.	Total number of tons, not including passengers, hauled one mile.
1842.....	.....	.....	.....
1843.....	.....	.....	.....
1844.....	.....	.....	.....
1845.....	.....	.....	.....
1846.....	61,440,637	71,030,160	171,865,837
1847.....	79,208,113	108,345,834	254,452,640
1848.....	107,236,614	119,604,791	291,418,570
1849.....	108,141,392	124,045,927	298,922,131

## TOLLS ON THE NEW YORK STATE CANALS.

A statement of the returns made to the Canal Department, exhibiting the amount of tolls, &c., received on all the canals in the State during the years 1848 and 1849:—

Offices.	1848.	1849.	Increase.	Decrease.
New York.....	\$131,442 90	\$213,707 26	\$82,264 36	.....
Albany.....	359,110 17	328,777 30	.....	\$30,331 87
Lyons.....	21,686 75	19,225 70	.....	2,461 05
Palmyra.....	50,026 65	58,178 08	8,151 43	.....
Rochester.....	202,808 61	191,894 97	.....	10,913 64
Brockport.....	38,579 33	64,060 10	25,480 77	.....
Albion.....	26,125 56	21,629 46	.....	4,496 10
Lockport.....	137,682 94	223,081 24	95,398 30	.....
Black Rock.....	260,022 10	63,689 34	.....	196,332 67
Buffalo.....	672,618 09	757,491 36	84,873 27	.....
Corning.....	25,048 82	23,707 15	.....	1,241 67
Dresden.....	6,680 63	2,808 78	1,188 15	.....
Penn Pan.....	16,228 35	18,495 19	2,266 84	.....
Scottsville.....	29,590 24	20,508 92	.....	84 32
Dansville.....	17,147 13	18,857 03	1,709 90	.....

The entire receipts from all the offices show an increase in 1849 over the year 1848 of \$16,013 84.

## UNITED STATES MAIL BY THE STEAMERS ATLANTIC AND PACIFIC.

## NOTICE TO THE PUBLIC, AND INSTRUCTIONS TO POSTMASTERS.

The departure of the United States mail steam-packets "Atlantic" and "Pacific" (Collins' line) will be continued through the months of September and October, from the ports of New York and Liverpool, and made at the several dates following:—

FROM NEW YORK.		FROM LIVERPOOL.	
Atlantic.....	September 7	Pacific.....	September 11
Pacific.....	September 28	Atlantic.....	September 25
Atlantic.....	October 12	Pacific.....	October 16
		Atlantic.....	October 30

All mails on hand at the New York office for Great Britain, the continent of Europe, and countries beyond, are to be made up and despatched by the abovenamed packets, agreeably to the provisions of the postal treaty between Great Britain and the United States.

Postage on letters to Great Britain is 24 cents the single letter, which can be prepaid or left unpaid, at the option of the writer.

Postmasters are reminded that letters and papers for Great Britain, and for countries beyond it, can be sent by these packets in the same manner as by the Cunard steamers with this difference, that paid letter to the places and countries beyond Great Britain, which are named in the 3d article of "table and instructions," appended to the settlement of details under the postal treaty with Great Britain, are subject to a postage of 2 cents the single rate instead of 5 cents.

The postage to be collected of the person addressed to the foreign country will be 16 cents less, in consequence of the payment of that amount here. The postage on newspapers beyond Great Britain will be 4 cents; to Great Britain, 2 cents. To be prepaid in all cases.

N. K. HALL, *Postmaster General.*

PHILADELPHIA, WILMINGTON AND BALTIMORE RAILROAD COMPANY.

The public are not generally aware that the stock of this railway, the main line between Philadelphia and Baltimore, is owned principally in Boston.

The company having been deeply indebted to the United States Bank, and poorly managed, became embarrassed, and during the financial difficulties of Pennsylvania was greatly depressed in value.

In 1846 its debt exceeded its capital, and nearly half a million became due and remained unpaid. Under these circumstances its bonds fell to fifty cents on a dollar, and its stock fluctuated from ten to twenty dollars per share.

In this state of affairs an association of capitalists, principally residing in Boston, bought up four-fifths of the stock—indeed, all that could be bought under thirty-five dollars per share—and all the floating debt, and converted the latter into new shares, at par. The stock-capital of the company was thus increased from two and a half to three and a half millions, and the debt reduced from thirty-three hundred thousand to twenty-two hundred thousand dollars. The parties who purchased, not content with improving the finances of the road, were determined to render it more efficient, and to effect this subscribed for a further capital of three hundred and fifty thousand dollars in new stock, at par, to finish and improve the line—so that the capital of the company now stands—

77,000 shares of \$50 each.....	\$3,850,000
Convertible to 6 per cent bonds, due in 1860.....	2,161,776
Total .....	\$6,011,776

This capital of six millions represents the cost of the main line—graded in great part for a second track—and also of the Newcastle and Frenchtown lines, both of which are now the property of one company.

The financial condition of the company has thus been entirely reformed: the debt reduced from fifty-seven to thirty-four per cent on the whole investment, and funded, while the cash assets exceeds the cash liabilities.

The income of 1847 and 1848 has not been divided, but has, with the proceeds of the new stock, been expended for the improvement and renovation of the line.

Under the judicious and skillful management of Col. Swift, the President, the Chief Engineer of the Western Railroad, and of the accomplished Superintendent, Mr. J. R. Trimble, one of the Engineers of the Boston and Providence, great changes have been effected. A new rail of sixty pounds to the yard has been laid for thirty miles, from Philadelphia to Wilmington, in place of a light strap rail, a new and costly viaduct has been erected at Principio, to supply an original defect; the entire line has been relaid, so that no rail is to be found less than forty pounds to the yard; a new machine-shop, car and engine-house constructed, adapted to the growing traffick; new engines and cars purchased, and the old rebuilt; the ferry boat renovated, and new stations provided at Baltimore and Philadelphia, which will save twenty thousand dollars yearly expended for horse-power.

When the line was first opened the way-business was considered of no moment, but commodious way-stations are now provided along the entire line, which have nearly doubled the way-business. Last year the way-passengers had increased to 226,616.

The speed and comfort of traveling on this line have improved, and are still improving.

Nor has the income of the line, under these improvements, remained stationary. It has risen from half a million, a few years since, to six hundred and twenty-eight thousand dollars last year, when it was depressed by cholera. It promises the present year to exceed seven hundred thousand dollars. The last-named sum will pay interest, deterioration, and furnish a dividend of six per cent on the capital.

The company resumed dividends on the first of October last, and have divided for the year ending April 1, 1850, four and one-half per cent, and doubtless would have divided more had not the cholera checked the income last summer fifty thousand dollars, as appears by the directors' report.

The road is now highly improved, and has a growing business. This must eventually increase with the growth of Baltimore, Wilmington, and Philadelphia, the extension of the Baltimore and Ohio Railroad, now in progress, and the renovation and extension with heavy rails of the great southern line from the Chesapeake to Charleston, which another year will effect. This will change the travel from the sea-steamers to the railway.

There seems, then, to be no doubt the directors will conform, henceforth, to the votes of the stockholders, which require them to divide the income regularly, and apply the surplus over six per cent to improvements—the principal of which will be the gradual exchange of the fifty-pound rail for one of greater weight. There is no haste in accomplishing this, as the route is not a freight line, and the present rail admits of a speed of thirty-five miles per hour. With regular six or seven per cent dividends the stock must go to par.

It is now nearly all settled down for a permanent investment. Instead of being a foot-ball for brokers, floating from hand to hand, as it was a few years since, it is now held by strong men, and rarely finds its way into the market, where, from its rarity, it is scarcely known. Once or twice a month a few shares only are sold at \$24 to \$28 per share. The bonds, however, occasionally appear in the Philadelphia Market, where they command the price of State Fives—now 92 to 93 per cent.

The courage and perseverance of the stockholders, who have continued to hold this stock through adverse times, entitle them to their reward.

The income for June, 1850, has been . . . . .	\$55,623 68
Against for June, 1849 . . . . .	45,267 21

#### THE RAILROAD LAW OF NEW HAMPSHIRE.

We publish below a correct copy of an act of the Legislature of New Hampshire in amendment of the laws of that State in relation to railroad corporations.\* The most complete law in relation to the formation, regulation, &c., of railroad corporations passed the Legislature of New York, April 2, 1850. Its great length compels us to postpone its publication for the present, but we hope to have it in our power to comply with the solicitations of several of our most respectable subscribers by publishing it entire in an early number of the *Merchants' Magazine*:—

##### AN ACT IN AMENDMENT OF THE LAWS IN RELATION TO RAILROAD CORPORATIONS.

SECTION 1. *Be it enacted by the Senate and House of Representatives in General Court convened,* That no person shall be allowed to pass or be carried over any railroad in this State without first paying the customary fare, excepting the stockholders going to and returning from the annual or any special meeting of said railroad corporation; the directors, treasurer and clerk of said company on their own road, the superintendent and conductor of such road and such other roads as shall have a business connection and contract with such road, persons actually engaged in running the cars, in charge of baggage or in repairing the road, or persons in charge of freight forwarded by express, in pursuance of a contract with the corporation, or in charge of the mail, or accompanying their own freight on a freight train. Provided, however, that if any person shall apply to the president, superintendent, conductor, or a ticket-master of any road for permission to pass free, and it shall appear that such person is poor or in misfortune, and unable to pay the usual fare, and that it is necessary such person should pass over the road, it shall be lawful for such president, superintendent, conductor, or ticket-master to give such person a written permit to pass free over such road, and such permit may include the wife and children of such poor person. A record of all such permits shall be made by the person giving the same, which shall at all times be open to the inspection of the stockholders, and a return thereof made at the annual meeting.

\* The *American Railway Times* comments with great severity, but with equal justice, on some of the provisions of this law, "in relation to railroad corporations." In reference to the first section of the bill, the *Times* says:—

"The section in reference to 'free passes' is the most arrant nonsense, and to our mind the Legislature had no more business to legislate concerning it than they had to regulate the same matter regarding stage-coaches, baggage-wagons, and other means of conveyance. The Legislature would seem to say that the officers and directors of railway companies have no knowledge of their business, and lack the necessary discretion to regulate the affairs of their different trusts. We can see a great many ways that the roads themselves will be losers by this folly of over-legislation, and even the State itself. To our mind the whole railway legislation of New Hampshire, excepting the adoption of a system of returns, used by Massachusetts, is one mass of inconsistencies. They make meat of one and flesh of another of the companies, with reference to the issue of bonds and preferred stock, and by the folly of restricting them from the use of any discretion with regard to the granting of 'free passes.' Had the Legislature ordered the different companies to publish weekly or monthly statements of their earnings and expenses, it would have been vastly of more practical use."

SEC. 2. It shall be the duty of the conductor on each railroad, immediately after the cars start on their road, to examine the tickets of the passengers, to ascertain if all have purchased tickets, and examine the tickets of all persons entering the cars by the way, and if any person who is not hereby excepted is found who has no ticket, to require such person forthwith to pay the usual fare over such road, or such part of it as the person proposes to travel, and in case of neglect or refusal to pay, it shall be the duty of the conductor to cause the train to be stopped, and the person or persons so neglecting or refusing to pay to leave the train, and in case of refusal it shall be lawful for said conductor to use such force as may be necessary to remove such person from the train, and the conductor shall have the same power to command assistance in removing such person as sheriffs by law have when serving process, and under the same penalty in case of refusal. Any person refusing to pay the fare, and refusing to leave the train as aforesaid, shall be liable to a fine of ten dollars.

SEC. 3. Any conductor who shall refuse to perform the duties required of him by this act, or any president, director, superintendent, ticket-master, or conductor who shall pass or knowingly allow any person to pass or be carried over their road, or furnish any person with a ticket to pass over their road in violation of the first section of this act, shall be punished by fine not less than ten dollars nor more than one hundred dollars.

SEC. 4. Every railroad corporation in this State shall, in the month of August in each year, agree upon and fix their rate of tariffs of toll for the transportation of freight and passengers over their road. The toll shall be rated by the mile for each passenger, and by the ton per mile on freight, except timber, lumber, bark, and wood, which may be rated by the thousand feet, or by the cord per mile. Such corporation shall, on the first day of September in each year, post up at all the stations and depots on their road, a copy of such rates or tariffs of tolls, and shall cause said copy to remain so posted through the year. They shall also post up a statement of the whole cost of freight per ton, thousand, or cord, and the fare of each passenger over their road between the several stations on their own road, and between the stations on their own road and other roads for which they assume to execute any agency or joint contract, whether within or without this State. Such corporation shall not for one year after the rates of toll are posted as aforesaid, or until after sixty days notice has been given, charge or receive any higher rates of toll, fare, or freight than shall be fixed upon and posted as aforesaid.

SEC. 5. Every railroad corporation in this State shall make and maintain all necessary cattle-guards, cattle-passes, and farm-crossings, for the convenience and safety of the land owners along the line of their road, and in case the corporation and land owner cannot agree upon the place, number, or manner in which such guards, passes, or crossings should be constructed, the land owner may by petition apply to three disinterested justices of the peace, two of whom shall be of the quorum, neither of whom shall be resident in the same town with the applicant, or who shall have been previously advised with by the petitioners in relation to the matter to be submitted, who shall notify the parties by giving each at least fifteen days' notice in writing of the time and place they will meet to consider said petition, and shall examine and determine the place or places where such passes, guards, or farm-crossings, and the time in which the same shall be constructed, and make a report thereof in writing, and file a copy of their report with the town clerk of the town where said land is situated; and in case the corporation shall refuse or neglect for sixty days after the report is filed as aforesaid, and after the time fixed for building the same by said justices, to construct passes, guards, and crossings, agreeably to the report made as aforesaid, they shall be liable to a fine of five hundred dollars, and a fine of one hundred for each month they shall refuse or neglect to construct the same, after the expiration of the said sixty days. Provided, that the said justices to whom said land owner shall apply as aforesaid shall be selected as follows:—One by the land owner, one by the railroad corporation, and the third by the two first, selected as aforesaid; and if said railroad corporation shall refuse to select one of said justices, it shall be the duty of the selectmen of the town in which the land is situated to name the person in behalf of said corporation. Provided, however, that the provisions of this section shall not apply in any case where the corporation have settled with the land owner in relation to such guards, passes, and farm-crossings.

SEC. 6. That whenever any railroad company shall unreasonably neglect or refuse to establish reasonable and proper depots or stopping-places for the public accommodation after being thereto requested, the persons aggrieved thereby may by petition

represent their said grievance to the Governor, who shall refer the same to the railroad commissioners, and if said commissioners shall, after hearing the several parties, be of opinion that such railroad company have unreasonably neglected or refused to establish such depots or reasonable or proper stopping places, they shall in writing declare what such railroad company ought to do in the premises, and fix and order the time when the same shall be done, and make their return to the Secretary of State; and if said company shall neglect or refuse to comply with such order they shall forfeit the sum of one hundred dollars for each and every month's neglect, to any petitioner for such accommodation who may sue for the same. The fees of said commissioners and other reasonable expenses of the petitioners shall be taxed by said commissioners, and in cases where they determine that such railroad company have thus neglected and refused to make such necessary accommodation for the public, the same shall be paid by such company, and may be recovered in the name of such petitioners by action for money laid out and expended.

SEC. 7. If the life of any person not in the employment of the corporation shall be lost by reason of the negligence or carelessness of the proprietor or proprietors of any railroad, or by the unfitness, or gross negligence, or by the carelessness of their servants or agents in this State, such proprietor or proprietors shall be liable to a fine not exceeding five thousand dollars nor less than five hundred dollars, to be recovered by indictment to the use of the executor or administrator of the deceased person, for the benefit of his widow and heirs, one moiety thereof to go to the widow and the other to the children of the deceased; but if there shall be no children, the whole shall go to the widow, and if no widow, to his heirs, according to the law regulating the distribution of intestate personal estate among heirs.

SEC. 8. No contract between two or more railroad corporations for the use of their roads shall be legal or binding on either party unless such contract shall be sanctioned in writing by the railroad commissioners and approved by the Governor and Council. And in no case shall such contract be for a longer term than five years, and no such use of another road shall be allowed unless by contract in writing executed by both parties, and a copy filed with the Secretary of State.

SEC. 9. The treasurer and clerk of any railroad corporation in the State, except such whose road is connected with a railroad in some other State by the acts of two or more States, shall reside within this State, and all the books, papers, and funds of said corporation, with the foregoing exceptions, shall be kept therein, or shall provide for the payment of all dividends to the stockholders in this State at the place of business of the corporation in this State.

SEC. 10. The directors of every railroad corporation shall from year to year make report to the Legislature, under oath, of their acts and doings, receipts and expenditures under the provisions of their charter, which report shall be made in the month of May in each year, and shall contain full information upon the several items hereafter enumerated, to wit:—

Return of the capital stock; increase of capital since last report; capital paid in per last report; capital paid in since last report; total amount of capital stock paid in; funded debt per last report; funded debt paid since last report; funded debt, increase of since last report; total present amount of funded debt; floating debt per last report; floating debt paid since last report; floating debt, increase of since last report; total present amount of floating debt; average rate of interest per annum paid during the year; maximum amount of debt for each month during the year, viz:

January, February, March, April, May, June, July, August, September, October, November, and December.

COST OF ROAD AND EQUIPMENT.—For graduation and masonry per last report; for graduation and masonry paid during the past year; total amount expended for graduation and masonry; for wooden bridges per last report; for wooden bridges paid during the past year; total amount expended for wooden bridges; for superstructure, including iron, per last report; for superstructure, including iron, paid during the past year; total amount expended for superstructure, including iron; for stations, buildings, and fixtures, per last report; for stations, buildings, and fixtures paid during the past year; total amount expended for stations, buildings, and fixtures; for land, land damages, and fences per last report; for land, land damages, and fences paid during the past year; total amount expended for land, land damages, and fences; for locomotives per last report; for locomotives paid during the past year; total amount expended for locomotives; for passenger and baggage cars per last report; for passenger and baggage cars paid during the past year; total amount expended for passenger and baggage

cars; for merchandise cars per last report; for merchandise cars paid during the past year; total amount expended for merchandise cars; for engineering per last report; for engineering paid during the past year; total amount expended for engineering; for agencies and other expenses per last report; for agencies and other expenses paid during the past year; total amount expended for agencies and other expenses; total cost of road and equipment.

**CHARACTERISTICS OF ROAD.**—Length of road; length of single main track; length of double main track; length of branches owned by the company, stating whether they have single or double track; aggregate length of sidings and other tracks, excepting main track and branches; weight of rail per yard in main road; weight of rail per yard in branch road, specify the different weights per yard; maximum grade, with its length, in main road; maximum grade, with its length, in branch roads; average grade per mile of main road; total rise and fall in the main road; total rise and fall in the branch roads; shortest radius of curvature, with length of curve, in main roads; shortest radius of curvature, with length of curve, in branch roads; total degrees of curvature in main road; total degrees of curvature in branch roads; total length of straight line in main road; total length of straight line in branches; aggregate length of wooden truss bridges; aggregate length of all other wooden bridges; aggregate length of stone and iron bridges; whole length of road unfenced on both sides; number of public ways crossed at grade; number of railroads crossed at grade; remarks; way stations for express trains; way stations for accommodation trains; flag stations; whole number of way stations; whole number of flag stations.

**DOINGS DURING THE YEAR.**—Miles run by passenger trains; miles run by freight trains; miles run by other trains; total miles run; number of passengers carried in the cars; number of passengers carried one mile; number of tons of merchandise carried in the cars; number of tons of merchandise carried one mile; number of passengers carried one mile to and from other roads; number of tons of merchandise carried one mile to and from other roads; rate of speed adopted for express passenger trains, including stops; average rate of speed actually attained by the express passenger trains, including stops and detentions; rate of speed adopted for accommodations trains; rate of speed actually attained by accommodation trains, including stops and detentions; average rate of speed actually attained by special trains, including stops and detentions; average rate of speed adopted for freight trains, including stops and detentions; estimated weight, in tons, of passenger cars (not including passengers) hauled one mile; estimated weight, in tons, of merchandise cars (not including freight) hauled one mile.

**EXPENDITURES FOR WORKING THE ROAD.**—For repairs of road, maintenance of way, exclusive of wooden bridges and renewals of iron; for repairs of wooden bridges; for renewals of iron, including laying down; for wages of switchmen, average per month; for wages of gate-keepers, average per month; for wages of signal-men, average per month; for wages of watchmen, average per month; for wages of conductors, average per month; for wages of ticket-masters, average per month; number of men employed, exclusive of those engaged in construction; for removing ice and snow, (this item to include all labor, tools, repairs, and extra steam-power used); for repairs of fences, gates, houses for signal-men, gate-keepers, switchmen, tool-houses; total for maintenance of way.

**MOTIVE-POWER AND CARS.**—For repairs of locomotives; for new locomotives to cover depreciation; for repairs of passenger cars; for new passenger cars to cover depreciation; for repairs of merchandise cars; for new merchandise cars to cover depreciation; for repairs of gravel and other cars; total for maintenance of motive-power and cars; number of engines; number of passenger cars; number of merchandise cars; number of gravel cars.

**MISCELLANEOUS.**—For fuel used by engines during the year, namely, wood and coal; for oil used by engines and cars; for waste and other material for cleaning; for salaries, wages, and incidental expenses chargeable to passenger department; for salaries, wages, and incidental expenses chargeable to freight department; for gratuities and damages; for taxes and insurance; for ferries; for repairs of station buildings, fixtures, furniture; for amount paid other companies in tolls for passengers and freight carried on their roads, specifying each company and the amount to each; for amount paid other companies as rent for use of their roads, specifying each company and the amount to each; for salary of president; for office expenses; for salary of treasurer; office expenses; for salary of superintendent; for office expenses; number of legal counsel retained, and amount paid them; number of actions in court each year in which the corporation is a party, the expense of each action, the nature of the controversy, and the

amount in question; all other expenses not included in the foregoing items; total miscellaneous; total expenditure for working the road.

INCOME DURING THE YEAR.—For passengers—1. On main road, including branches owned by company. 2. To and from other roads, specifying what, and amount from each. For freight—1. On main road and branches owned by company. 2. To and from other connecting roads, and amount from each; United States mails; rents; interest; from all other sources; total income; net earnings, after deducting expenses.

DIVIDENDS.—Per cent, total; surplus not divided; surplus last year; total surplus.

ESTIMATED DEPRECIATION BEYOND THE RENEWALS, NAMELY:—Road and bridges; buildings; engines and cars.

ESTIMATED INCREASED VALUE BEYOND DEPRECIATION, NAMELY:—Road and bridges; buildings; engines and cars.

NUMBER OF FREE PASSENGERS THE LAST YEAR, NAMELY:—Number of directors and officers (except superintendent) of the corporation when not engaged in the immediate management of the cars and care of the road; number of persons connected with and in the employment of other corporations; number of other persons, except stockholders when attending meetings of the corporation.

SEC. 11. If any railroad corporation shall violate any of the provisions of this act, or shall permit any such violation, for which violation no mode of punishment is provided, such corporation shall be liable to an action upon the case in the name of any party injured thereby, to recover his damage, and shall also be liable to indictment and fine not exceeding one thousand dollars for each offense. And if any officer, agent, or servant of any railroad corporation shall knowingly violate any of the provisions of this act, where no other remedy is provided against such officer, agent, or servant, he shall be liable to indictment and fine not exceeding one hundred dollars, according to the nature and aggravation of the offense.

SEC. 12. Each passenger over any railroad shall be entitled to have taken with him by the same train, as part consideration of the fare paid by him, a reasonable amount of personal baggage, exclusive of specie and bills: Provided, that no road shall be required to carry such baggage to an amount valued beyond one hundred dollars, without notice being given and extra charges paid for such risk and liability, and such corporation shall be liable for the safe transportation and delivery of all such baggage at the station for which the same was received, or for the payment of the value thereof, if they neglect or refuse to pay for such baggage as aforesaid, on demand, after the expiration of said thirty days.

SEC. 13. Whenever any land may have been or shall be entered upon and taken for the construction of a railroad, any party shall appear entitled to any estate, right, or interest in or charge affecting said land which was not adjusted by purchase or appraisal thereof at the time of the laying out and construction of said road, in such cases said land, on petition to the railroad commissioners, may be laid out and appraised in the same way and manner as is provided for the original laying out and appraisal of land, and if the road is in operation, it shall not be obstructed in the use of said land after written application has been made to the commissioners to lay out the same, and notice thereof has been served on the land holders, until such appraisal shall be made.

SEC. 14. This act shall take effect and be in force from and after the first day of August next.

#### A SYSTEM OF GENERAL NIGHT SIGNALS.

We are indebted to WILLIAM WINTHROP, Esq., United States Consul at Malta, for a pamphlet entitled "*System of Night Signals for the use of Her Majesty's Ships and Squadrons, and adapted to Merchant Ships, English and Foreign, Yachts, Military Stations, Railroads, Inland Communications, Light-houses, &c.*" By Mitchel Thompson, surgeon H. M. Ship Odir. The very inadequate and defective state of night signals induced Dr. Thompson to make an effort to provide a remedy, in order, if possible, to render the means of communication by night less difficult, and more extensive.

The British system is now so limited, that not more than twenty signals can be made satisfactorily, without either rockets or guns. The system, as laid down by drawings in this work, has, it appears, been examined and tested by Admiral Sir William Parker, Bart., Commander in Chief of the Mediterranean squadron, and that distinguished navigator acknowledges its utility and importance. The system is clearly explained, and in addition to the approval of Admiral Parker, it is commended by a number of officers in the British navy. The copy received at the office of the *Merchant's Magazine* is at the service of any of our friends, who may take an interest in the subject.

## NAUTICAL INTELLIGENCE.

## LIGHT-HOUSE ON THE ISLAND OF NORD KOSTER.

DEPARTMENT OF STATE, Washington, July 27th, 1850.

FREEMAN HUNT, Esq., New York.

SIR:—The enclosed information, respecting the erection of two new light-houses on the Island of Nord Koster, or Kosterkullen, on the coast of Sweden, has been communicated to the Department of State, by our Charge d'Affairs at Stockholm, and is now transmitted to you for publication in the *Merchants' Magazine*, should you deem it of sufficient interest.

I am, Sir, respectfully, your obedient servant.

DANIEL WEBSTER.

## COPY.

The Royal Board of the Navy hereby make known to all seamen, that in consequence of His Majesty's command, two light-houses, of similar height, and of stone, have been erected on the highest point of the island of Nord Koster, or what is called Kosterkullen, situated off the province of Bohus, North Coast, 200 feet over the sea, in latitude  $58^{\circ} 54' 12''$ , north, and longitude  $11^{\circ} 4'$  east of Greenwich, and  $29^{\circ} 13' 45''$  east of Terro. These light-houses are 17 feet high to the cornice, and 20 feet to the lanterns, which therefore shine at the height of 220 Swedish feet (about 212 English feet) above the water, and which, in a dark, but clear night, can be seen from the deck of a common vessel at the distance of four to five geographical or German miles. The light-houses are situated by the compass 240 feet (about 230 English) north and south of each other. In the southern tower is placed a steady *lentille*, of the third class, and in the northern a shining revolving light, which performs its round in two minutes, and gives in that time a short but strong light. The lights will begin on the 1st of September next, and will be kept lit at those times of the year, and of the day, which is ordained in all the other light-houses of the kingdom.

Stockholm, 31st May, 1850.

## ST. ANDREW'S SHOALS, COAST OF GEORGIA.

It appears, by an official report of the Superintendent of the United States Coast Survey to the Secretary of the Treasury, that the sketch of the reconnaissance of St. Andrew's Shoals, at the entrance of St. Andrew's Sound, Georgia, by Lieutenant Commanding John Rodgers, U. S. N., assistant in the Coast Survey, has been engraved, and is ready for publication at the Coast Survey Office, and for gratuitous distribution, by the agents for the maps, to navigators and others.

It further appears, from the report of Mr. Bache, the Superintendent, that the coast steamer *Hetzel* touched lightly, on her passage southward, last month, on part of this shoal, St. Andrew's light-house bearing W. N. W., and distant about eight miles; the vessel was going carefully at the time, the position being taken by bearings and soundings frequently. The English ship *Jane*, of about seven hundred tons burthen, bound for Savannah, fell to leeward, and in beating up struck upon these shoals in broad daylight, bilged and went to pieces. The following sailing directions and notes are given by Lieutenant Commanding Rodgers for entering St. Andrew's Sound:—

*Sailing Directions.*—To run in by the buoy.—Keep in no less than six fathoms water, until the light-house bears by compass W. by N.  $\frac{1}{4}$  N., then steer for the light-house until the buoy comes in sight. Keep it and the light-house in range until up with the buoy, which should be passed close to either side. Then steer N. W. by W.  $\frac{1}{4}$  W., until the light-house bears W. S. W. Haul in for the anchorage under the N. W. end of Little Cumberland Island, and anchor when convenient.

To run in by the compass.—Keep in not less than six fathoms water, until the light-house bears as above, W. by N.  $\frac{1}{4}$  N., then steer for the light-house. When the south point of Jekyll island bears N. W.  $\frac{1}{4}$  W., steer N. W. by W.  $\frac{1}{4}$  W., until the light-house bears W. S. W. Then haul in for the anchorage under the N. W. end of Little Cumberland Island, and anchor when convenient.

High water near Cumberland Light-house, in St. Andrew's Sound, 7h. 55m., at full and change. The only spring tide observed rose seven feet.

## NAVIGATION OF COLUMBIA RIVER.

OREGON CITY, April 30th.

SIR:—As there appears to be much excitement and interest expressed by the people of Oregon on the subject of Trinidad Bay, I deem it well to state there is already a settlement there by the people of California; a town is laid off, and officers of the peace, &c., elected. The latitude of the place is  $41^{\circ} 5' 50''$ , and affords a good shelter from the north and north-west winds—it is open to the southward. Two small rivers empty into the ocean between the bay and Cape Mendocino.

As much interest is also felt on the subject of the bar at the mouth of the Columbia River, I beg leave to say, that since the discovery of a south channel by Captain Charles White, now a pilot at the mouth of that river, I deem the dangers and delays diminished at least 75 per cent. In fact, since Captain White has been acting as a pilot, no vessel has been detained twenty-four hours at the mouth of the river, either outward or inward bound. Buoys will soon be placed, and a light-house erected, in order to facilitate navigation at that point; and I am of the opinion that the difficulties will be so far overcome as to place it, beyond a doubt, as easy and safe as the entrance to New York Bay, at least as long as the channel discovered by Captain White remains open.

Very respectfully, &amp;c.

W. P. M'ARTHUR, *Lieut. Commanding U. S. Survey.*

## THE HARBOR OF ASTORIA, OREGON.

The following letter from W. P. M'Arthur, Lieut. Commanding U. S. N., is dated Astoria, Oregon Territory, May 21st, 1850:—

TO GEN. JOHN ADAIR.

SIR:—Yours of the 8th instant is received, in answer to which I beg to say that I consider the harbor of Astoria quite good and secure. Vessels are quite as well sheltered as they are in most good harbors I have visited. As far as I have learned, no vessel has ever been driven on shore by the action of the winds and waves—conclusive evidence of its safety.

With regard to the new south channel discovered by Captain Charles White, I have already expressed my opinion. The additional experience I have received since only enables me to be more confident. The difficulties, dangers, and delays, of navigating the mouth of the Columbia River have decreased at least 25 per cent since their discovery.

I am respectfully and truly yours,

W. P. M'ARTHUR, *Lieut. Commanding U. S. N.*

## ROCKS AT THE ENTRANCE OF THE BAY OF SAN FRANCISCO.

A reef of rocks lies off the southern and western point of the "sand bluff," which puts off at nearly right angles from the main land, about fourteen miles to the northward and westward of the entrance of the Bay of San Francisco, and twelve miles to the eastward of Point de Rais. The rocks composing this reef are generally of pinnacle form, and scattering, and although their points are within six or eight feet of the surface, it does not show any breakers at full sea more than half a mile from the shore. Schooner *Laura Virginia* struck at about two miles from the beach, and received severe injury; and ship *Sea* also touched on it, but passed over without damage. The soundings are bold on both sides of the outer part of the reef, and vessels should be cautious in approaching this part of the coast, as the wake of the land does not indicate the existence of such danger.

Respectfully your obedient servant,

DOUGLASS OTTINGER.

## FIXED LIGHT ON KYHOLM ISLAND—GREAT BELT.

The Danish government has given notice that the intermitting light on the Island of Kyholm, in the entrance of the Great Belt, was superseded on the 17th May by a fixed light, which stands close to the northward of the former light, and which, being of the same height, 57 feet above the level of the sea, is visible in all directions at the distance of eight or nine miles.

## MERCANTILE MISCELLANIES.

## THE ARGUMENT FOR CHEAP POSTAGE.

We are content to leave the case in regard to a liberal administration of railroads in hands so competent as those of Mr. Derby; but we wish to express our dissent from the view which was presented by Mr. Balfour, in our last number, in regard to the proper ground of the demand for cheap postage. He represents the British Postage System as having failed, because it has not yet produced "an increase of income." Now it has been abundantly shown by Mr. Leavitt, both in his Boston pamphlet, and in his contributions to our pages, that the statesmen who adopted the British system of cheap postage, never anticipated an increase of income. On the contrary, the then Chancellor of the Exchequer, Francis Barring, declared his conviction that the loss of revenue would be "very considerable indeed." Lord Ashburton declared that the loss "would amount to a sacrifice of the whole revenue of the post-office;" and the Earl of Lichfield declared that "in neither House had it been brought forward on the ground that the revenue would be the gainer;" but that "he assented to it on the simple ground that *the demand for it was universal.*" The system was adopted for its public benefits, and these anticipated benefits have been realized to a degree exceeding the most sanguine anticipations.

The "surplus revenue," under the old system, was £1,600,000; after deducting the entire "cost of management," which was then about £686,000. The "gross receipts" from postage were £2,340,000. Now it is a fact which Mr. Balfour unjustly kept out of view, that the "gross receipts" for the year 1848, the *ninth* year of the new system, were £2,192,000; only £148,000 short of the "gross receipts" at the old high rates. This is the only fact which is properly pertinent to his question of railroad fares; and this would not have suited his purpose.

The "cost of management" has increased, under the new system, to £1,336,000; but this is chargeable to the increased accommodation of the public, and not to the reduction of the rates. It is not true, as Mr. Balfour alleges, "that the whole charge of packet service" was paid out of the postage receipts under the old system. But if it were so, the only just inference would be, that at that time the cost of packet service must have been very small, since it was all included in the £686,000 returned as the "cost of management."

The cost of the packet service ought not to be charged to the post-office, for it is not incurred on account of postage, but for other governmental objects. The great burden is the expense of the ocean mail-steamers; and every one who has read Mr. Butler King's reports in Congress, knows that these were got up mainly for the object of securing the construction of a class of steam-vessels which the government can arm and use in time of war. The same consideration governed in Congress in establishing our ocean mails; and therefore the expense ought not to affect the question of cheap postage.

Mr. Balfour's "real account" is incorrect in another particular: he gives no credit for the postage of newspapers, which goes directly to the treasury under the head of stamps, amounting to £360,000, which ought to be added to the net revenue of £803,000; making the *true* "real account" of surplus £1,163,000.

The unfairness of Mr. Balfour is equally seen in his statement of the results of cheap postage in this country, in confining his comparison to the first two years of the act of 1845. Why does he not compare the gross receipts of 1849, which were \$4,905,000, with those of the last year of high postage, \$4,289,000?

The friends of cheap postage place their demand upon the merits of the system—its general benefits, and the wishes of the people. They see no reason why it should not yield a regular increase of income, as in Great Britain; in which case they are confident that in five or six years, or ten at farthest, the Post-Office Department will support itself, while conferring upon the people the inestimable blessings of cheap postage. But, in any event, they are sure the change will be worth whatever it may cost, and the people who demand it can very well afford to pay for it, be the expense what it may.

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#### MARINE PAINTING.

That the arts have a softening and refining influence, every one will readily admit. That they tend to intellectualize all who come within the sphere of their influence; that they stimulate the ingenuity of a people; that they are, moreover, valuable as aids to industry, is evident enough, without adducing proof in support of the position. A question then naturally arises, why have they not been more cultivated and encouraged. Simply because their true application has been misunderstood, and the genius of the youthful artist has been misdirected in the outset of his studies. Our art education has hitherto been *downward*, instead of *upward*. The student, instead of beginning with the more palpable and more easily understood productions which are so largely spread around us, and which carry the mind onwards and upwards, by imperceptible gradations, from one degree of perfection to another, is called upon to appreciate the great works of the great masters, without having first received those intermediate lessons in taste which convey to the mind a sense of the beautiful and grand. Hence it is that many have been discouraged in the very outset of their career, and the efforts of those who have been induced to persevere have been so cramped and fettered by "copying the model," that after years of studious application, their best production is only a fine imitation. These remarks have been suggested to us by a visit to the studio of WILLIAM MARSH, Esq., of Brooklyn, a self-taught artist, who has never received a single lesson, nor paid a dollar to an instructor; yet who, in one department of art, marine painting, has few equals, and no superior. Impelled by the force of his genius, by that *vivida vis animi* which leads poets, orators, and mathematicians, to seek for those objects by which their peculiar taste is nourished and strengthened, he has devoted himself with unwearied energy to the prosecution of his favorite art; and abandoning all other pursuits, has become *con amore*, an artist by profession. In all the paintings of Mr. Marsh, which we have seen, not merely the general outlines, but the minutest details, are faithfully delineated. All the parts of the vessel, "from stem to stern," are exhibited in exact proportion, and with mathematical precision. The most trifling arrangement even of the ropes or the rigging, have been copied with the nicest accuracy. The freedom, truth, and vigor of his drawings are only equalled by the singular beauty and freshness of his coloring. The artist evidently paints from a thorough study of his subject. His vessels are genuine salt-water ships. His wave-foams are all true to nature. There is sound and motion in every picture he paints. Many of our ship-builders, and owners of vessels, have already secured the services of Mr. Marsh; and if, as it is said, "a ship is the mistress of a sailor," we would think that every one who has the "means and appliances to boot," would, as a matter of pride and gratification, secure her likeness. We would seriously advise Mr. Marsh to select some naval historical subject on which to exercise his powers, as we have no doubt that his efforts would be crowned with the most signal success. D. S.

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#### THE PERIWINKLE TRADE.

A Glasgow (Scotland) paper says:—"It would hardly be supposed that so trifling an article of consumption as periwinkles could form a matter of extensive traffic; but so it is. Sometimes as many as fifty or sixty tons of these little shells are brought at a time to our quay from the island of Kervera, opposite Oban, where they abound, and are gathered by the poor people, who get 6d. a bushel for collecting them. From this they are shipped to Liverpool, and thence by rail to London, to satisfy the insatiable maw of the modern Babylonians. Very few are retained here in transit, as the popular taste for "whilks and buckies" is not so strongly marked in our population, and better profits are consequently obtained in London, even after paying so much sea and land carriage."

PASSAGE OF THE STEAMER WASHINGTON.

BY G. P. R. JAMES.

[The following beautiful lines were written by Mr. James, the novelist, while on board the steamer Washington, during her late voyage to the port of New York.]

The Washington, the Washington!  
How gallantly she goes;  
Green fields she finds before her steps,  
She leaves them clad in snows.

The green field of the ocean,  
The snow flake of the foam,  
Receive and follow, as she treads  
Her pathway to her home.

God speed thee noble Washington,  
Across the mighty main,  
And give thee wings to traverse it  
A thousand times again!

Not wrongly hast thou taken  
The glorious chieftain's name,  
Who won his country's liberty  
Amidst the battle's flame.

Nor sordid triumph was the chief's,  
Nor sordid triumph thine,  
Though war, unwilling, was his task,  
And thine aim peace divine.

The links his good sword severed,  
When heavy grew the chain,  
Even of England's brotherhood,  
Thou shalt unite again.

But links of love the bond shall form  
To bind the East and West;  
While child and mother, long estranged,  
Fly to each other's breast.

And may'st thou, as thou tread'st the sea,  
Till thy long wand'rings cease,  
Be, like the patriarchal dove,  
A messenger of peace.

TRADE BETWEEN CINCINNATI AND LIVERPOOL.

The *Cincinnati Price Current* notices as "a new feature in trade" the fact that a sale recently took place in Cincinnati of twenty casks of English linseed oil, at one dollar per gallon. We quote from the *Price Current* as follows:—

"This lot of oil was shipped from Liverpool via New Orleans, consigned to S. M. Houghton, merchant, of Cincinnati, and sold as above, for the benefit of the consignor. We predicted some months ago that the East would this year contribute to supply the West with this description of oil—owing to the high prices in the latter, consequent upon a deficiency of seed—but we did not suppose that the wants of our market would attract the attention of Liverpool merchants. This shipment, we learn paid but a small profit. The oil cost in Liverpool about 48 cents; to this add the American duty of ten cents, and 42 cents remain to pay freight, commission, and other charges. With present prices in Liverpool, and 105 a 110c. here, the business of shipping hither might be made profitable. This matter is only important in showing that higher prices than are now current cannot prevail at the West while in England there is an average supply of the article. The correspondence between Liverpool and Cincinnati are as regular as between our city and New York or New Orleans, and the condition of our markets is always well understood by the American merchants abroad."

THE IMPORTANCE OF PUNCTUALITY.

Punctuality is "the life of business," or should be a mercantile virtue. The laconic lecture of the Quaker, which we copy from an exchange paper, will commend itself to the conscience of every right-minded business man in the community.

A committee of eight gentlemen had appointed to meet at 12 o'clock. Seven of them were punctual; but the eighth came busting in with apologies for being a quarter of an hour behind the time. "The time," said he, "passed away without my being aware of it. I had no idea of its being so late," &c. A Quaker present said—"Friend, I am not sure that we should admit thy apology. It were matter of regret that thou shouldst have wasted thine own quarter of an hour; but there are seven besides thyself, whose time thou hast also consumed, amounting in the whole to two hours, and one-eighth of it only was thine own property."

FIRST ARRIVAL AT NEW ORLEANS FROM CALCUTTA.

The New Orleans *Commercial Bulletin* of the 2d of July, 1850, notices, under its marine head, the arrival of the ship *St. Petersburg*, Captain Plumer, in 132 days from Calcutta, with a cargo of saltpeter, gunny bags and bagging, as the first direct arrival at New Orleans from the port of Calcutta.

## A CURIOUS SALVAGE CASE.

A salvage suit of a very peculiar character was recently tried in the British Admiralty Court. It appears that the *Maria Jane* was chartered by Mr. Lilly to proceed from Liverpool to Africa for a cargo of palm oil, he engaging to provide a sufficient crew, to provision the ship, and to pay the owners a lump sum of £720. The vessel having taken the cargo on board, in descending the river Rio Bento struck upon the bar, and sustained some trifling damage. Whilst in that situation services were rendered by two vessels, the *Rapid* and the *Mary*, both of which belonged to Mr. Lilly. By the adoption of various measures, extending from the 24th of July to the 24th of August, 1849, the *Maria Jane* was got over the bar and despatched for Liverpool, where she arrived in December. During the time that she was in Africa she lost part of her crew by death, and some hands from the *Rapid* were put on board. To obtain a reward for these services the present action was brought, and was resisted on the ground that the *Maria Jane* was, *pro hoc vice*, the property of Mr. Lilly. In the first instance the cargo was arrested, but bail was afterwards taken for the ship only, the value of which was estimated at £550. Dr. Lushington, after remarking that it was a question novel in many respects, reserved his judgment.

## A LONDON TRICK IN TRADE.

It would seem, from the following statement, which we copy from the *London Atlas* newspaper, that honest John Bull's "nation of shopkeepers" are not altogether free from "Yankee tricks:—"

TICKETING SHOPS IN OXFORD-STREET.—At Marlborough-street, two ladies applied for advice to Mr. Bingham in the following matter:—They were passing through Oxford-street, when they stopped to look at some dresses at No. 16, a linen-draper's, which they thought were marked 11½d. each. A person from the shop invited them to look at the dresses, and they went into the shop. The dresses were produced, and, instead of 11½d., they were informed the price was 1s. 11½d., and that the length was only five yards. They told the shop-man, or whoever he was, that five yards would not make more than half a dress, and he admitted that was true. They then declined to buy a dress, and were leaving the shop, when they were induced to return and look at some corded petticoats, which were to be had at the low price of two for half-a-crown. They agreed to take two, and put down half-a-crown. As soon as the man had got possession of the money, he said it was not the practice to sell petticoats alone—they must take three of the dresses at 1s. 11½d., or he would neither give them the petticoats, nor return the money. Mr. Bingham told the applicants that the county court would very soon procure restoration of the money obtained under such circumstances.

## STATISTICS OF COLLISIONS AT SEA.

A statement has been prepared by Mr. John A. Rucker, underwriter to the London Assurance Company, giving a classification of the number of collisions at sea reported in Lloyd's lists during the five years from 1845 to 1849 inclusive. From this it appears that the annual numbers were 603, 564, 699, 633, and 565; so that there has been a decrease, notwithstanding the increased commercial traffic of 1849. The total collisions of the five years amount to 3,064. Of these, 279 were cases in which a vessel was sunk, run down, or abandoned; 189 were cases in which there was serious damage; 686 in which the damage, although less, was still considerable; and 1,910 in which it was only slight. The average of steamers in contact with steamers during each year is about 11; of steamers in contact with sailing vessels about 37; of sailing vessels in contact with steamers 36; and of sailing vessels in contact with sailing vessels 533.

## CONSUMPTION OF TEA IN ENGLAND.

In 1847 the quantity of tea retained for home consumption was 46,314,821 lbs., on which the duty, at 2s. 2½d. per pound, was £5,066,494. In 1848 the quantity retained for home consumption was 48,374,789 lbs., on which the duty was £5,329,992, being an increase of 2,419,968 lbs. on the preceding year; whilst in 1849, the year ending the 5th January last, the quantity retained was 50,021,579 lbs., and the duty paid £5,471,422.

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 THE BOOK TRADE.
 

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- 1.—*The Literati: some Honest Opinions about Authorial Merits and Demerits, with Occasional Words of Personality; including Marginalia, Suggestions, and Critical Essays.* By the late EDGAR A. POE. 1 vol., 12mo. New York: J. S. Redfield.

This volume comprises the most characteristic and remarkable writings of a man of genius, who will probably continue to be ranked among the most genuine and creative authors of this country. The tales and poems of Mr. Poe, previously published by Mr. Redfield, are already, by the common consent, for the creative energy displayed in them, and for the exquisite finish of their style, admitted to be classical. They form a portion of the prominent literature of the English language. These "opinions," critical and personal, are likely to provoke controversy. Mr. Poe had astonishing acuteness, and he delighted in a caustic severity. The faults of our authors he seemed to have deemed it his mission to detect and explore. But he was not altogether ungenial. This work embraces much of the most delicate appreciative criticism, and it evinces on almost every page a large knowledge in literature, and unsurpassed skill in literary art. The series of papers entitled "Marginalia," and that called "suggestions," are full of curious learning. Principle is one of the finest pieces of æsthetic writing produced in our time. The memoir prefixed to the work has a melancholy interest. It furnishes a key to the author's temper, his misfortunes, and the direction of his genius. The book will probably have an immense sale.

- 2.—*The Architecture of Country Houses; Including Designs for Cottages, Farm-Houses, and Villas, with Remarks on Interiors, Furniture, and the Best Modes of Warming and Ventilating.* With three hundred and twenty illustrations. By A. J. DOWNING. New York: D. Appleton & Co.

This elegant work appears to contain all that may be necessary to enable the builder of a house to combine taste with comfort. It has plans for every style, from the cheapest dwelling of the laborer, and the house of the farmer, to the millionaire. These are accompanied with every explanation that can be required, and embellished with all the ornaments that the most correct taste can suggest. And what is the most essential of all, each plan has annexed a careful estimate of all the expense that it may cost in construction. All the latest improvements in the manner of finishing the various parts of a building are so carefully explained that any one can execute them. In looking over the work, we have been struck with the cheapness and ease with which the simplest dwelling, by the addition of a few ornaments, can be rendered an object of taste and neatness, and an expression of comfort and happiness on the part of its occupant. If it is true that there is no place like home, this work will add tenfold force to its correctness, by introducing among our citizens various styles of dwellings which may truthfully be called neat and happy homes. We cannot hesitate a moment to urge in its behalf the attention of every one who possesses the smallest desire to see an improvement in the domestic architecture of the country, and in the refinement and comfort of the people.

- 3.—*The Earl's Daughter.* By the author of "Amy Herbert," "Gertrude," &c. Edited by the Rev. W. SEWELL, D. D. 12mo., pp. 340. New York: D. Appleton & Co.

The writings of Mrs. Sewell are too well-known, and too favorably received by the public to need any commendation. In this volume she has portrayed with great fervor the strength of principle which may be sometimes found combined with the utmost delicacy and gentleness of woman's spirit. This combination forms a character which is rare, but of an exceedingly lofty and noble nature. It could not be more skillfully or truthfully drawn than it appears in this volume.

- 4.—*The Deserted Wife.* By EMMA D. NEVITT SOUTHWORTH. 8vo., pp. 176. New York: D. Appleton & Co.

This is one of those few works in which character is portrayed by a master hand. A single stroke of the pen will often cause the deepest sympathies to burst forth in an instant; and with many readers the countenance will glow with smiles and tears at the same moment. Simple and artless as the story appears, it yet obtains a degree of power and control over the mind that is irresistible. The scenes are laid chiefly in Maryland, and are drawn from incidents in real life.

- 5.—*Life and Letters of Thomas Campbell.*<sup>3</sup> Edited by WM. BEATTIE, M. D. 2 vols. 12mo., pp. 550. New York: Harper & Brothers.

We do not know as we can speak of the character of this work in a manner that will be half so agreeable to our readers as to quote the remarks of Washington Irving respecting it. "It is a great act of justice to the memory of a distinguished man, whose character has not been sufficiently known. It gives an insight into his domestic as well as his literary life, and lays open the springs of all his actions and the causes of all his contrariety of conduct. We now see the vast difficulties he had to contend with in the early part of his career; the worldly cares which pulled his spirit to the earth whenever it would wing its way to the skies; the domestic affections tugging even at his heart-strings in his hours of genial intercourse, and converting his very smiles into spasms; the anxious days and sleepless nights preying upon his delicate organization, producing that marked sensitiveness and nervous irritability which at times overlaid the real sweetness and amenity of his nature, and obscured the unbounded generosity of his heart."

6.—*Harpers' New Monthly Magazine.* This new periodical was commenced on the 1st of June, and has now reached its fourth number. Each number contains about one hundred and forty-four pages, octavo, in double columns, at three dollars a year, or twenty-five cents a number. The leading features of this magazine are, that it will transfer to its pages, as rapidly as they may be issued, the continuous tales of Dickens, Bulwer, Croly, Lever, Warren, and other distinguished contributors to British periodicals; articles of commanding interest from all the leading Quarterly Reviews of both Great Britain and the United States; speeches and addresses of distinguished men upon topics of universal interest; notices of events in science, literature and art, in which the people at large have an interest, &c., &c. At the same time, it is issued in a very handsome style, and at such a very low price as to place it within the reach of every one. The subscription already exceeds thirty thousand, and, at this rate, it is not easy to conceive the limits to it. If we regard all its features, it may justly be declared to be one of the cheapest literary periodicals of the present day.

- 7.—*Elementary Sketches of Moral Philosophy: Delivered at the Royal Institution in the years 1804, 1805, and 1806.* By the late Rev. SIDNEY SMITH. 8vo. pp. 391. New York: Harper & Brothers.

These lectures, and parts of lectures, from the noted Sidney Smith, are marked by all the peculiar features of his intellect and style. The book is full of good sense, acuteness, and right feeling—very clearly and pleasantly written—and with such an advisable mixture of logical intrepidity, with the absence of all dogmatism, as is rarely met with in such discussions. Some of the conclusions may be questionable, but generally they are just, and never propounded with anything like arrogance, and the whole subject is treated with quite as much, either of susceptibility or profundity, as is compatible with a proper exposition of it.

- 8.—*The Complete Works of William Shakspeare.* London and New York: Tallis & Willoughby.

We have received parts 1 and 2 of this edition of the works of the great English poet. This edition is revised from the original edition, and embraces historical introductions to each play, and notes explanatory and critical, together with a life of the poet, and an introductory essay on his phraseology and meter. The notes, biography, &c., were prepared by James O. Halliwell, F. R. S., Member of the Council of the Shakspeare Society, author of the *Life of Shakspeare*, the *Dictionary of Archaic Words*, and other works. Each number contains two illustrations, beautifully engraved on steel, representing the principal scenes in the play. The engravings are fine original designs by artists of the first eminence in England. Aside from the typographical excellence of this edition, it will, when completed, form a series of pictorial illustrations "as yet unrivalled." It promises to be one of the most, if not the most, elegant and desirable editions of Shakspeare's complete works produced either in England or the United States.

- 9.—*The History of the Decline and Fall of the Roman Empire.* By EDWARD GIBBON. With notes by H. H. MILMAN. Vol. 4. 12mo., pp. 636. New York: Harper & Brothers.

We have already spoken of the respective volumes of this edition as they have appeared. It is issued in handsome style, and at such a low rate as to place it within the reach of every one.

- 10.—*The Gallery of Illustrious Americans; containing Portraits and Biographical Sketches of twenty-four of the most Eminent Citizens of the Republic since the Death of Washington.* Daguerreotypes by Brady; engraved by D. Avignon. Edited by C. Edwards Lester. New York: G. P. Putnam.

The sixth and seventh numbers of this work are before us; equal, in every respect, to the preceding issues, which is saying all that is necessary to those who have been so fortunate as to secure copies of one of the noblest works of art our country has produced. Number Six contains a portrait of Col. Fremont, and Number Seven of Audubon, men equally distinguished in the different departments of scientific research and enterprise; the one as a bold and adventurous traveler, the other as an enthusiastic, devoted, and intelligent ornithologist. A more proper or judicious selection of subjects for this great work, could not well have been made. The brief, compendous narratives of their remarkable lives, are written in a singularly felicitous and condensed style. Mr. Lester has contrived to crowd a vast number of facts in a very few words, without sacrificing that elegant and perspicuous diction which characterizes every line from his polished pen.

- 11.—*The Works of Washington Irving.* New edition. Revised. Vol. xiv. *Conquest of Granada.* New York: George P. Putnam.

After a lapse of two or three months, Mr. Putnam sends us the fourteenth volume of his new and beautiful edition of the complete works of Washington Irving. What more can we say of the present work, "The Conquest of Granada," than Prescott has said. "It has," says that accomplished historian, "superseded all further necessity for poetry, and, unfortunately for me, for history." He (Irving) has fully availed himself of all the picturesque and animating movement of this romantic era; and the reader who will take the trouble to compare his chronicle with the present more prosaic and literal narrative (Ferdinand and Isabella) will see how little he has been seduced from historic accuracy by the poetical aspect of his subjects. The fictitious and romantic dress of Irving's work has enabled him to make it the medium of reflecting more vividly the floating opinions and chimerical fancies of the age, while he has illuminated the picture with the dramatic brilliancy of coloring denied to solemn history."

- 12.—*Europe, Past and Present: a Comprehensive Manual of European Geography and History: With Separate Descriptions and Statistics of each State, and a copious Index.* By FRANCIS UNGEWITTER, LL. D. 12mo., pp. 670. New York: Geo. P. Putnam.

The author of this work is a German by birth, and has previously written several geographical works, which have been very favorably received in his own country. In this volume he has presented us with complete information of all the States of Europe in those branches of knowledge which come within its province. This information has been attained from the latest and most authentic official reports in the various countries; and it is probably more accurate than any work of the kind which has ever been presented to the American public. The order observed is to present, first, the statements about area, population, surface, soil, natural products, manufactures, commerce and trade, public finances, form of government, strength of the army and navy, orders of honor, &c. Secondly, the history; and thirdly, the topography of the State.

- 13.—*The Berber; or the Mountaineer of the Atlas. A tale of Morocco.* By WILLIAM STARBUCK MAYO, author of "Kaloolah," etc. 12mo., pp. 453. New York: George P. Putnam.

This is an exceedingly agreeable book, and it has for its object the illustration of Moorish manners, customs, history, and geography, and Moorish life as it exists at the present day, as well as to introduce to the acquaintance of the reader a people who have played a most important part in the world's history, but of whom very little is generally known more than their mere name. It is written with much vigor and animation of style, and will absorb the attention of the reader.

- 14.—*Christ and the Pharisees upon the Sabbath.* By a student of Divinity, sometime student at Law. Boston: Bela Marsh.

This "Latter-Day Pamphlet," as it is called, contains "more truth than poetry," It is extremely radical, and will be regarded as extremely heterodox by "the church." The writer contends that the "Sabbath was made for man, and not man for the Sabbath." It is written in a bold and vigorous style.

- 15.—*Christian Thoughts on Life. In a Series of Discourses.* By HENRY GILES, author of "Lectures and Essays." Boston: Ticknor, Reed & Fields.

Mr. Giles is well-known throughout the country as an eloquent and popular lecturer. He is also clerically connected with a denomination of Christians, that numbers many of the most finished scholars and purest minded men. The present discourses, however, we are told by the author, were not written in "pastoral relations or for pastoral purposes." Unrestrained by those relations and those purposes, Mr. Giles has gathered into compact form fragments of a rich moral experience, and given "some record and some order to desultory studies of man's interior life." Not pressed by occasions which compel brevity, he has followed, as he moved, the promptings of his feelings and his theme. The volume contains twelve discourses, with the following general titles:—The Worth of Life—The Personality of Life—The Continuity of Life—The Struggle of Life—The Discipline of Life—Prayer and Passion—Temper—The Guilt of Contempt—Evangelical Goodness—The Spirit of Christian Forgiveness—Spiritual Incongruities—Weariness of Life, and Mystery in Religion and in Life. A more earnest, ardent-minded teacher of the great moral and religious truths of our being is rarely to be found among men, and we venture to say that this volume contains more "Christian thoughts on life" than can be found in a hundred volumes of dogmatic theology.

- 16.—*Confessions of an English Opium-eater, and Suspiria de Profundis.* By THOMAS DE QUINCY. 12mo., pp. 272. Boston: Ticknor, Reed & Fields.

This is the first volume of a series which is intended to embrace a complete collection of De Quincy's writings. In this one we have an episode in the life of a scholar, during a period in which he became a confirmed opium-eater to an extent greater than is recorded of any other man, and yet afterward struggled against and almost entirely recovered himself from this fascinating enthrallment. In these confessions we have something of the grandeur which belongs potentially to human dreams. There is also added some "passages" from the author's childhood, which were of such a nature as to add greatly to these vast clouds of glowing grandeur which overhung his dreams at all stages of opium, and which grew into the darkest miseries at last. The style of the work is that of a scholar of no ordinary literary attainments.

- 17.—*In Memoriam.* By ALFRED TENNYSON. Boston: Ticknor, Reed & Fields.

The admirers of Tennyson are under great obligations to the American publishers for reproducing another and later (the third) volume of his works in a form so beautiful. The *Edinburg Review* is of the opinion that Tennyson can be compared with few living poets in those peculiar, distinctive qualities which raise the true poet to that quick apprehension of spiritual beauty which furnishes him with perpetual inspiration, and to the glad world an overflowing song. Dr. Griswold regards Tennyson as holding, at this time, the highest rank among the living poets of England.

- 18.—*The American Edition of Boydell's Illustrations of Shakspeare.* New York: S. Spooner.

The twenty-third part of this great work has been published. It contains two plates, representing two scenes from the fifth part of King Henry IV., with full letter-press illustrations. We have, in former notices of this work, expressed the opinion that Dr. Spooner had succeeded in restoring the plates to all the "pristine beauty of the first proofs." That opinion was formed after a careful examination of impressions taken in England prior to the restoring of the plates, and in re-affirming it we are fully sustained by artists of repute and men of taste who have examined the engravings. Dr. Spooner's enthusiastic zeal, as manifested in this enterprise, should be liberally rewarded.

- 19.—*Three Years in California.* By Rev. WALTER COLTON, U. S. N. With illustrations. 12mo., pp. 456. New York: A. S. Barnes.

The author of this book is already well known to the public by many pleasant works. His arrival in California was at the time the United States flag was raised at Monterey, in July, 1846. On that occasion he was appointed Alcalde of Monterey; and the present work consists of a journal of what took place during the three years subsequent to that period. There is no book published on the subject of California which will convey to the reader a more correct or graphic account of that country; the past and present customs and manners of the population, or the growth and improvement which has taken place. It is written in a very agreeable style, and ornamented with a number of handsome engravings, of individuals and scenes, and presents us with a picture of life at the mines in its true and real aspect.

- 20.—*The Night-Side of Nature; or, Ghosts and Ghost-Seers.* By CATHERINE CROWE, authoress of "Susan Hopley," "Lilly Dawson," "Aristodemus," etc. 12mo., pp. 451. New York: J. S. Redfield.

The term "night-side of nature" is borrowed by the author of this volume from the Germans, who derive it from the astronomers, the latter denominating that side of a planet which is turned from the sun its *night-side*. The subjects discussed in this work, apparitions, troubled spirits, spectral lights, haunted houses, wraiths, warnings, etc., "are frequently either denied as ridiculous and impossible, or received as evidences of supernatural interference—interruptions of those general laws by which God governs the universe," which latter mistake the author maintains, arises from our only seeing these facts without the links that connect them with the rest of nature. The author disclaims the pretension of teaching or of enforcing opinions. Her object is to suggest inquiry and stimulate observation—"to discover something regarding our physical nature."

- 21.—*The Art-Journal.* London and New York: George Virtue.

The number of this beautiful journal for July fully sustains its reputation which may now, beyond all question, be regarded as permanently established. The "Vernon Gallery" continues to supply the work with its exquisite attractions. The two steel engravings copied from the originals in that gallery, namely, "The Windmill," engraved by J. C. Bentley, from the picture by Linnell, and "The Duet," engraved by R. Bell, from the picture by W. Etty, are among the most elaborate and highly finished pictures that have graced the pages of this journal. "Eve Listening to the Voice," from the statute in marble by E. H. Baily, is in a style that we have never seen, that we are aware, surpassed. The wood engravings, illustrating "passages from the poets," the "Evangeline" of Longfellow, and the "Seasons" of Thompson, are really beautiful in design and execution. There is not an engraving on steel in this work that is not richly worth the price charged for the number. But the work does not owe all its value to the illustrations; the letter-press papers will compare in style with the choicest productions published in the best English or American literary journals.

- 22.—*Spectacles: their Uses and Abuses in Long and Short-sightedness, and the Pathological Conditions resulting from their Irrational Employment.* By J. SICHEL, M. D., of the Faculties of Berlin and Paris. Translated from the French by HENRY W. WILLIAMS, M. D. 8vo., pp. 200. Boston: Phillips, Sampson & Co.

The catalogue of medical literature contains no work on the important subjects discussed in this treatise, and the large class of diseases in the production or amelioration of which spectacles exert an important influence. This work contains a description of several important maladies of which no one has previously spoken. It is, therefore, well-deserving of the attention of the physicians and any one under the disagreeable necessity of wearing spectacles.

- 23.—*Latter-Day Pamphlets.* Edited by THOMAS CARLYLE. Boston: Phillips, Sampson & Co.

This singular serial has reached its eighth number. The last published is devoted to "Jesuitism." The previous issues are "The Present Time;" "Model Prisons;" "Downing Street;" "The New Downing Street;" "Stump Orators;" "Parliaments;" and "Hudson's Statue." Many more read the "dark sayings" of Carlyle than comprehend them.

- 24.—*The History of the Decline and Fall of the Roman Empire.* By EDWARD GIBBON. Vol. 6. 12mo., pp. 542. Boston: Philips, Sampson, & Co.

This volume completes this edition of the work. It contains the notes of Milman, and a complete index to the whole. It is published in very good style, and at a price so cheap that every one can obtain a copy of this great historical production.

- 25.—*Conscience and the Constitution, with Remarks on the Recent Speech of the Hon. Daniel Webster in the Senate of the United States on the Subject of Slavery.* By M. STUART, lately Professor in the Theological Seminary at Andover. 8vo., pp. 119. Boston: Crocker and Brewster.

Professor Stuart is regarded as a very able theologian, and the present work which exhibits him in the light of a politician and as the defender of the "Defender of the Constitution," will be regarded as able and ingenious by the pro-slavery men of the North.

- 26.—*The Directory of the City of Boston; embracing the City Record, etc.* Boston: George Adams.

A directory is as important to the merchant and business man as a dictionary of the English language is to the scholar, and man of letters. The Boston Directory for 1850-51 is a model of its kind, containing, as it does, an accurate general directory of its citizens, besides a vast amount of information relating to the "Literary Emporium," of general and permanent interest. Mr. Adams, the compiler, has made improvements in this "kind of literature," from which even Doggett might gather some valuable hints, were he capable of appreciating industry, intelligence, and enterprise.

- 27.—"Only." 16mo., pp. 131. "Old Joliffe." 16mo., pp. 66. "Sequel to Old Joliffe." 16mo., pp. 81. Boston: James Munroe & Co.

These are charming little works, or rather lyrics of human life, in which the author has beautifully illustrated these sentiments—"The danger of temptations which are thought to be too small."—"Cheer up and despond not." Of the same character is the little work from the same publishers entitled "*Lucy's Half-crown.*" 16mo., pp. 141. By C. M. A. COOPER, which illustrates the "art of making people happy without money."

- 28.—*Dies Boreales; or, Christopher under Canvass.* By PROFESSOR JOHN WILSON, author of "Naetes Ambrosiae," &c. 12mo., pp. 363. Philadelphia: A. Hart.

No one who has ever seen Blackwood's Magazine can be ignorant of "Christopher North," the chief speaker in the dialogues which have embellished so many numbers of that publication. This volume comprises one of the series from the pen of Professor Wilson, which have been received with great *eclat* by the literary world. They are issued in a neat and not expensive style by the Philadelphia publisher.

- 29.—*The Nag's Head; or, A Season Among "The Bankers."* A Tale of Sea-shore Life. By GREGORY SEAWORTHY. 12mo., pp. 180. Philadelphia: A. Hart.

This volume is one of the "Library of Humorous American Works," in course of publication, and is full of entertaining scenes and stories.

- 30.—*Picturesque Sketches in Greece and Turkey.* By AUBREY DE VEVE, Esq. 12mo., pp. 335. Philadelphia: A. Hart.

These entertaining sketches comprise scenes at Athens, Delphi, and Constantinople, and are among the most agreeable of any that have recently issued from the press.

- 31.—*The Illustrated Atlas.* London and New York: John Tallis.

We have noticed this work as it has appeared in parts in terms of high commendation. But not higher than an examination of its character seemed to warrant. Parts 27 and 28, just published, contain four maps, embracing the "Overland Route to India," the "Isthmus of Panama," "British India," and the "World on Mercator's Projection."

- 32.—*The British Colonies.* By R. MONTGOMERY MARTIN. New York: J. Tallis & Co.

We have received parts 12 to 15, inclusive, of this useful and beautiful work. Each part is illustrated with a map or portrait. The statistical and geographical information is brought down to the present time.

- 33.—*Studies in Religion.* By the author of "Words in a Sunday School." 18mo., pp. 230. Boston: Munroe & Francis.

This little work displays considerable vigor of mind and condensation of thought, and presents some new views of subjects which are familiar to every religious mind.

- 34.—*Gems by the Wayside; or, Offering of Purity and Truth.* By Mrs. L. G. ABELL. 12mo., pp. 408. New York: Wm. Holdrege.

This is a collection, from various authors, of beautiful extracts, both prose and verse. They inculcate the purest sentiments of virtue, and form a very agreeable volume to place in the hands of youth of either sex. The book is published in a very handsome style, and ornamented with many beautiful illustrations.

- 35.—*Earnestness; or Incidents in the Life of an English Bishop.* By CHARLES B. TAYLOR, author of "Lady Mary," "Mark Wilton," &c., &c. 12mo., pp. 368. New York: Stanford and Swords.

This volume is based upon characters and incidents in real life, and although true to nature, it aims likewise to portray society, and especially Christian society, as it ought to be. It delineates the pure and devotional feelings of the Christian heart with great skill, and in a style that is graceful, easy, and pleasant.