THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

OCTOBER, 1862.

GENERAL AVERAGES CONSOLIDATION.

THE civilization of Rome and the civilization of India have each developed themselves in a manner so totally distinct from the other, that the idea of their common origin can hardly be conceived. And yet recent philological researches into the formation of their two languages clearly prove that the inhabitants of each sprung from a common stock. So clear is this proof, that it is asserted that if all historical records were destroyed and mere specimens of each language preserved these alone would serve to show their relationship. The Sanscrit is now acknowledged to be the parent of all European languages, living or dead, and this language bears the same relationship to the modern Hindoostanee that the Latin tongue does to the modern Italian.

The early codification of the Roman customs of law is held by a distinguished modern author* to be the principal cause of the different development of the two countries in civilization. All ancient societies obtained written laws sooner or later, but the period at which their codes were made, exercised the greatest influence over their future progress. In Rome the plebian or popular element successfully assailed the oligarchical monopoly, and a code was obtained early in the history of the commonwealth. At a period when usage was rational and healthy, that is to say, when the customs of the people had been so lately formed, that the circumstances of their origin and the reasons for their adoption were familiar to every one, the celebrated code known as the Twelve Fables was framed. This deliberate methodizing, and adoption into a

* HENRY SUMNER MAINE. "Ancient Law."

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body of written law, of ideas and principles of justice, that were before this time only matters of traditionary custom arrested forever that law of development by which usage that is reasonable generates usage which is unreasonable. It at once placed a barrier against the encroachments of the aristocracy upon the liberties of the people, and prevented their reasonable customs from degenerating into superstitious abuses.

On the other hand, in India and in the East generally, aristocracies tended to become religious rather than civil or political, and gained therefore rather than lost in power. Codes were obtained relatively much later than in Western societies. The customs of the people had become corrupt, for the reason that they were obeyed by multitudes who were ignorant of the true grounds of their expediency, and who were, therefore, left to invent superstitious reasons for their permanence. Prohibitions and ordinances originally confined to a single description of acts were made to apply to all acts of the same class. After one kind of food had been prohibited for sanitary reasons, the prohibition was extended to all food resembling it, although the resemblance originally depended upon analogies the most fanciful. So again a wise provision for insuring general cleanliness dictated in time long routines of ceremonial ablution; and that division into classes which at a particular crisis of the social history was, perhaps, necessary for the maintenance of the national existence, degenerated into the most disastrous and blighting of all human institutions—caste. The opportunity thus afforded to the priests of increasing and consolidating their influence was too great to be resisted; and to this end they rather encouraged than suppressed the superstitions of the people. And when codes were finally obtained, they were rather collections of such rules as the priests deemed proper to be observed, than compilations of reasonable usages.

Thus we find that the early introduction of a rational code preserved the liberties of the Roman people, and laid the foundation of that splendid system of jurisprudence, which has so largely affected the civilization of the world. But when a written law came to the Hindoos their liberties were already gone, and their customs had degenerated into superstitions, and they became, and have since continued to be, the most oppressed and the most corrupt of nations pretending to any degree of civilization.

It would appear from these illustrations, that a code has the same influence in fixing the customs of a nation that a literature has upon the natural development of a language. It is asserted that those barbarous nations whose range of ideas is most limited, have still so surprising a word-making power, that tribes from a common stock, separated for a few years, soon lose the power of communicating with each other at all. Not that their changed circumstances give birth to new ideas which they embody in new words, but that they invent new words to express the same ideas. But the moment the language begins to be written this process is forever arrested; and as a consequence the period in its growth at which its literature first appears is of the greatest importance. A brave and free people will naturally possess a very different set of ideas to those which will prevail among an enslaved race, and must necessarily speak a superior language. If that language is arrested by a literature while it is in this condition, it may remain a monument of a noble race long after the people who gave it birth have disappeared from the family

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of nations. And in the same way many ancient codes, that of Rome pre-eminent among the rest, remain to prove the almost forgotten greatness of the people who originally framed them.

The mercantile community is, in respect to the rules which govern its transactions, somewhat similarly situated to ancient societies before their laws were codified. The law-merchant which regulates them is little more than a body of customs and traditions. It is true that these customs are many of them as old as commerce itself; and are embodied in many ancient local codes that are surpassed by no modern enactments for wisdom and integrity. It is true also that these customs are not confined to one nation or people, but embrace the usages of the commercial world. And as these codes have no authority but their own intrinsic merit, where their application would be clearly unjust they need never be applied. And as customs that have been handed down for ages unimpaired, and have stood the test of thousands of decisions must almost necessarily be correct, it would be only reasonable to suppose that the decisions of the law-merchant were on the whole more equitable and just than those of the civil law of any country. And this is admitted to be the case. At the same time in the daily transactions of life cases constantly arise in which the law, correct as it may be on the whole, is found to be rather cumbersome in its application. So vast a range of precedents can never be compassed by any but a professional man, and even then only by one of great industry and learning. Hence it follows that most of those whose pursuits require such knowledge are unable to obtain it. For all practical purposes a code of exact rules on these matters would be vastly more convenient; but to obtain such a code the consent of all trading nations must first be obtained; and then, too, the powers of human language would be severely taxed, to make the rules so general as to cover every case, and so clear as to be understood by every one.

Without such a code there must be uncertainty on many points, caused not so much by want of precedents as by ignorance of their existence. For instance, a merchant whose vessel is in distress in a foreign port may have to submit to charges neither founded in principle, nor sanctioned by general practice, and yet be unable to resist them from the want of any distinct law to appeal to. And again, although the broad principles of the law-merchant may be admitted by all nations, yet in the practice founded upon them many discrepancies notoriously exist. It is in the application of a great truth to a particular set of circumstances that individual idiosyncracies appear. This of course must frequently cause confusion and embarrassment and even affords an opportunity for fraud. And finally, there are certain principles just in themselves which should not be pushed too far, and here custom must decide where the limit should be placed. As an example, the loss of interest on money during detention at a port of distress is not allowed as General Average, although undoubtedly the consequence of a General Average Act. Whether these difficulties could be removed by an universal code remains to be seen. One thing is certain, with a code uniformity would be obtained, and this alone would perhaps make amends for the occasional injustice arising from a necessarily strict observance of the letter of the law.

And as in the case of ancient societies the circumstances under which it is obtained will forever stamp it for good or evil, and it may be too late

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in the history of commerce to attempt such a measure, or the proper time for its adoption may not yet have arrived.

Commerce has already done much towards breaking down ancient hostilities. In olden times there were examples of the splendor and wealth derivable from it even before Tyre. But in those days the same word signified "stranger" and "enemy." And even in Greece, merchants were frequently pirates when the opportunity offered. In Rome it held no high position, but in the middle ages the greatest of the Medici was so proud of his success as a merchant that he refused to add any other title to his name. And only a few years ago, we might well have believed that the commerce of the Atlantic alone would forever have sufficed to preserve peace between the great nations lying on its borders. And even in these troubled days when the nation, convulsed with civil war, sees one half its people longing for and the other half dreading an armed European intervention in its domestic troubles—there comes a message of peace from the other side of the Atlantic, and merchants here are invited to join their brethren on the other side in an attempt at a universal codification of that large and importaut branch of mercantile law known as General Average.

France already has a code of laws on this subject; they are a part of the Code Napoleon, but were derived almost entire from the Ordonnance of Louis XIV., which in its turn was principally compiled from the Roman and Rhodian laws. England, up to and during the time of Lord Mansfield, did not differ much in her General Average customs from other European countries. Since that time, however, England has introduced innovations, some of them under the sanction of the courts of law, but more of them as Customs of LLOYD'S.

In this country the common law of England was adopted by us at the time of our Revolution, and with it the General Average law of which it formed a part. It was adopted by us in its best days, however, before the innovations alluded to had commenced. And it has been since devoloped by a free use of continental learning, and at the present day differs widely from that of England, but not from that of the rest of Europe.

In the month of May, 1860, a circular was issued by several commercial bodies of Great Britain to the commercial bodies of other countries, representing the great inconvenience of the present system of adjusting General Average, and inviting them to send representatives to Glasgow in September, 1860, to "consider the best means of attaining to some degree of uniformity of system." The circular describes the system of General Average as one which pre-eminently requires that the same principles should be acknowledged among the chief maritime nations. But so far from this being the case, however, some of the most important rules not only vary in the same country but in the same port. Uncertainty is always an evil; and in regard to General Average the evil is peculiarly felt. The ship may be owned in one country, insured in another, her cargo owned and insured in several, and the port of distination where the General Average is made up, may be in a country which has different rules to any of the others. What is considered to be a Particular Average on ship in one port, is held to be General Average in another, so that the owner of an outward bound ship may find himself unable to recover his loss either from his underwriters at home, or as General Average abroad; or, on the other hand, he may be in a position to indemnify himself fraudulently twice over.

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"A very large proportion of the most important questions rests in England nominally upon the decision of that extremely vague authority 'the custom at LLOYD'S,' but really depends upon the idiosyncrasy of the particular adjuster who may be intrusted with the papers." The greatest evil of all which result from the present uncertainty of the law, is the opportunity which it affords of introducing charges of the most outrageous description, which do not even go into the pocket of the shipowner, but which he feels himself helpless to resist from the want of a law to appeal to.

The result of this circular was the assembling of delegates from various commercial bodies in the following September to discuss the evils complained of, and to suggest a remedy. The suggestion of Judge MARVIN, who represented the Chamber of Commerce and Board of Underwriters of this city, that definite and acceptable rules could not be framed by the Congress, but that they should refer these questions to some of the ablest jurists in the country who might take into their counsel some of the best adjusters, was adopted. He further proposed that these gentlemen might in the course of the year draw up the doctrine of General Average in the form of a bill to Parliament, if they pleased, and what cases were to be included in General Average. This bill was then to be printed and sent to all the commercial cities in the world for revision and correction. By that means a great mass of experience, suggestion and thought would be collected. The bill would then be returned to the central committee in London with the suggestions. A final bill would then be drawn up and submitted to the British Parliament, and if it became a law, the Judge did not think "there would be any great difficulty encountered in the Congress of the United States; and if it were adopted by the two greatest commercial nations, France and other countries would be soon likely to follow, and in the course of four or five years a much greater uniformity might be obtained."

This outline of a bill has already arrived in this city, and is now being considered by our commercial bodies. It is called "General Averages Consolidation," and if the plan which has been so successfully carried out hitherto, should be faithfully pursued, a very valuable General Average Code must be the result. At the same time, the greatest care and deliberation are necessary to make the bill a faithful exponent of admitted principles; and to avoid injustice and error in their application to particular circumstances. The suggestion of Judge MARVIN as to the best method to be adopted in the original bill, might, with great propriety, be carried out here for its correction. A committee "of the ablest jurists of this country, who might take into their counsel some of the best adjusters," should be appointed by the Chamber of Commerce and the Board of Underwriters, to thoroughly revise and amend this instrument, and to return it to its framers with all the suggestions that their united learning and experience might dictate. If care is thus taken, both in this country and in all others to which the bill may be sent, to collect the suggestions of the ablest minds upon its merits, it will bring back to its framers such a mass of "experience, suggestion, and thought," that they can hardly fail to draw up a second bill so just in its principles, and so wise in their application to all practical details, as will readily secure its universal adoption.

An opportunity is thus afforded, such as may never occur again, of comparing the points of difference in the practice of each nation, and of sifting

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the arguments upon which they are founded. Those which stand the test of sound reason and common sense, will be likely to secure universal adoption; those, on the contrary, which owe their origin to a superstitious reverence for old and perhaps hardly understood precedents, or which have been purposely twisted by interested parties to further their own ends, will naturally be set aside. In fact, whatever modifications are now due to local causes, or what may be better defined as individual caprice, will disappear, while those founded on the broad principles of justice alone, will remain.

As the practice of marine insurance is now almost universal, General Average contributions cease to be a matter between the parties concerned alone, but have become one in which the underwriters of both parties are most usually interested. Hence it is, that a powerful corporation like LLOYD'S will oftener have an interest in making a General Average a Particular Average than the reverse. For if the whole burden falls upon one of the interests concerned, they may be insurers or they may not; but if it is to be equally diffused among all the parties to the adventure, they are more likely to have insured some, if not all of them. And again, by the custom of insurance a particular average or a partial loss must amount to a certain sum, or no contribution is due, whereas, a general average must always be settled by the insurers no matter how small its amount. And then, too, many expenses which would ordinarily be borne by the owner, become charges on all the interests during the performance of General Average Acts. The effect of the "customs at LLOYD'S is very manifest in the English practice, and the arguments by which their defenders attempt to support them, are quite curious specimens of logic. One of the most distinguished of these writers, Mr. WM. BENECKE, has such a charming style, and displays such various and extensive learning, that he has taken a high rank among authors upon average. At the same time, some of the arguments which he uses in defence of these unjust practices, introduced by LLOYD'S, are so transparent, that the only wonder is, whether he himself was ever convinced by them.

For instance, a vessel may be disabled by a storm at sea; the damage thus occasioned is a partial loss, and must be borne by the owner or his underwriters; but the disabled ship cannot prosecute her voyage with safety, and the captain decides to make for the nearest port. Before he takes this course the ship and her cargo are in danger of perishing; he is not bound to make this deviation for the sake of earning freight, since that contract expressly excepts "the perils of the sea." If he proceeds, and the ship and cargo are lost, the owner of the goods has no claim on the owner of the ship for indemnity. He puts into port then for the benefit of all the interests at stake, and this act being admitted to be a general average act, it follows that its legitimate consequences are all proper subjects of general average contribution. In this country they are so considered, and every necessary expense that results from the performance of it, is apportioned upon all the interests benefitted. But by the usage at LLOYD'S, the wages and provisions of the crew during the deviation and detention fall upon the owner; the port charges inwards, the notary's and adjusters fees are apportioned upon the several interests; the expense of unloading the cargo is contributed for, but the storage and other expenses when the cargo is actually out of the ship are a special charge upon that interest; and the reloading and clearance fees fall upon the freight. In defence of which, Mr. BENECKE says: "As soon as the object of putting the vessel and cargo in safety is

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accomplished, the cause for contribution ceases; for whatever is subsequently done, is not a sacrifice for the benefit of the whole, or for averting an imminent danger, but is the mere necessary consequence of a particular average. If owing to the injury sustained by the vessel, the cargo must be landed to prevent its being more damaged, the charges of unloading, housing, insuring against fire, reloading, &c., very properly fall upon the proprietor of the cargo. For the landing is a necessary consequence of the misfortune that had occurred, and cannot be said to be resorted to for the purpose of enabling the vessel to proceed upon her voyage when repaired, since the goods would have been landed also if the voyage could not have been prosecuted. The vessel, therefore, ought not to be charged with a part of those expenses which were not intentionally incurred for her benefit, but which only incidentally became useful to her. Even if the unloading were resorted to merely for the purpose of repairing the vessel, still, it being the natural consequence of a particular average, and taking place after the ship and cargo are in safety, it cannot be a general average." If arguments such as these are all that can be urged in favor of the contradictory "customs" which prevail at LLOYD's, when a port of distress is sought to repair accidental damage, it is not surprising that the framers of the new bill should have overturned them altogether, and substituted provisions more in accordance with admitted principles. Section 52 of the bill provides that, "Crews' wages, and provisions, and all expenses consequent upon bearing up for a port of refuge shall, (from the date when the ship deviates from her voyage for the purpose of such bearing up,) be deemed to be General Average within the meaning of this act." Section 57 provides that, "The expense of warehouse rent at a port of refuge, on cargo necessarily discharged there, and the expense of reshipping it, except as to such portion as shall have been discharged in consequence of an accident at such port, and in all cases the outward port charges, properly incurred by the master at such port, shall, in case the ship shall carry on the cargo from such port, or when the original contract of affreightment shall not have been determined, be deemed to be a general average losses within the meaning of this act."

In a word, then, it would appear that the general average practice of the world, although not codified, and dependent upon "usage," still depends on usage so enlightened, that its decisions are, upon the whole, more just than those of the civil law of any nation. It appears also, that its leading principles may now be considered as settled by the common consent of the commercial world. At the same time, it must be admitted, that however clear the principles, there will necessarily be discrepancies in their application, or in their limitation; and also, that these discrepancies may be purposely created, whenever the interest of a large body of men prompts them to do so, as is shown by the "innovations" which the "custom of LLOYD's" has been allowed to make in English law. The present General Average bill, if adopted, would make no material change in our law, but would save our merchants from the inconvenience of the conflicting and frequently unjust "usage," that now obtains in England, and to which they are obliged to submit, whenever their ships visit ports where British law prevails.

An universally accepted code would remove many inconveniences existing at present, and, properly drawn up, would be a great blessing to commerce. It needs no argument to prove, that if the law depends solely upon "customs," an orderly and systematic arrangement of those customs is pre-

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ferable to their present diffused condition. At the same time, the practical difficulties of the task must be considered. In the first place, the legislative bodies before whom it would be brought, both in this country and in England, are not composed of men who have made these matters a special study, and who would, therefore, from the complication of the subject, be entirely incompetent to pass upon its merits. If they attempted to change the most insignificant provisions of the code, they would probably alter it for the worst. And the chances are, that it would come out from the ordeal of a revision by the British Parliament, or the American Congress, so mutilated as to be comparatively worthless. And then, too, it is not within the power of human language to provide for every emergency, and so to frame the provisions of a code that it will cover every case, but a code once adopted as a part of the law of the land, must be literally applied, although that application may be, in some instances, contrary to reason and common sense.

The Social Science Association has already collected and printed the "practice of the various commercial nations" on this subject; they have also caused a bill to be drawn up in the shape of a code, and sent it abroad for criticism. When it returns corrected to them, they will draft a second bill embracing all the amendments. Why should not this second bill be then referred to the various chambers of commerce for authoritative adoption, as the recognized "custom of merchants?" If this is done, it will necessarily be referred to by the courts in their decisions, and finally become a part of the law of every land. According to its merits alone, in this case, will it live or die. The code of the island of Rhodes, though framed a thousand years before the Christian era, was quoted by the Emperor ANTONINE,* and is in our day constantly referred to. The laws of Oleron, (a small island on the coast of France,) compiled about the year 1,200, and the laws of Wisbey, (a port in an island in the Baltic,) of equally ancient date, are still unforgotten. This General Averages Consolidation may perhaps be referred to in future ages as a testimony of the wisdom and the learning of its compilers, and may even cause the older codes to sink into oblivion, or it may be quietly buried in the archives of the society which gave it birth. It is a worthy effort, and one which well deserves encouragement; and if it only succeeds in publishing to the commercial world, an orderly and systematic digest of the existing customs on the subject, it will have accomplished much; but if it secures in any way, their authoritative acknowledgement by commercial bodies, or by legislation, it will have rendered a very important and lasting service to the whole commercial world.

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* In the title de Lege Rhodia de Jactu, to which we have already referred, Dig. tr. 14, title 2, sec. 9, occurs what we should call a case stated to the Emperor ANTONINE, calling for a decision. The answer is, "I indeed am lord of the world, but the law is (the lord) of the sea, whatever the Rhodian law prescribes in the premises let that be adjudged."—*Parson's on Maritime Law.*

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PACIFIC RAILROAD.

CONVENTION OF CORPORATORS.

SPEECH OF S. DEWITT BLOODGOOD, ESQ., OF NEW YORK.

[WE understand that an official report of the proceedings of this Convention, recently held at Chicago, will soon be published. Meantime we are indebted to Mr. S. DEWITT BLOODGOOD for a copy of his very able speech on the second day of the Session, in regard to the publication of which the following debate occurred. It was delivered in support of the admirable resolutions reported to the Convention by S. B. RUGGLES, Esq., Chairman of the Committee entrusted with their preparation:

L. A. THOMAS, of Iowa, moved that the speech of S. DEWITT BLOODGOOD be published in pamphlet form. It contains in it a great amount of information, which many people west of the Mississippi would be very desirous of having. The information, of a statistical nature, contained in that speech, is extraordinary.

Mr. CASS—I rise with great reluctance, because the subject under discussion appears to be of a personal nature. I am willing to admit that I scarcely ever heard a document so scholarly, so elaborately, and so skillfully compiled. I listened to every word with the profoundest attention. But, whilst I admire it, I would be very unwilling to give my sanction to all the positions advanced in it. If there be any way of publishing that speech without committing the Convention to some of the points contained in it—if we can get the information contained in it without committing ourselves to its details—I shall be very glad to sanction it.

Mr. THOMAS—In reference to that matter, I may say there are in it some suggestions which I should wish to examine very carefully before I give my full assent to them. Mr. BLOODGOOD, I believe, intends revising it himself, and it is for the purpose of getting this information, which I believe to be so valuable, into the hands of the people at large that I make my proposition.

Mr. BLOODGOOD—What I said before this Convention yesterday was the result of some reflection. I did not expect that the opinions to which I gave utterance would be fully indorsed by every man, for each one of us has his own opinions, and they must go for what they are worth.

The President inquired whether the gentleman who made the motion wished the speech to be published at the expense of the Convention, and reminded him that no finance committee had as yet been appointed.

Mr. THOMAS replied that this was not his intention.

Mr. JOHN CORBY, of Missouri—It appears to me that it would be better to appoint a committee to co-operate with Mr. BLOODGOOD in revising his speech, and preparing it for publication for the benefit of the Convention.

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Further remarks were made by members of the Convention to the same effect; but we omit them, the above being sufficient to show the manner in which the speech was received, and the importance of its early publication. We are sure our subscribers will congratulate us on being able to give them this able and scholarly document in advance of its appearance elsewhere.—*Editor Merchants' Magazine.*]

Mr. President and Gentlemen.—Our national character was never better illustrated than on the present occasion. In the midst of a causeless and desperate rebellion against the happiest form of government which humanity was ever inspired to establish, while in the midst of an enormous expenditure of treasure, and the effusion of our most precious blood to preserve this Union, undeterred and undismayed we assemble here to day under the authority of the National Legislature to organize an enterprise of the vastest proportions and with the most momentous results. A railway across a continent, a connection between the two great oceans of the globe, and a change in the traffic of Europe, Asia, and America—these are the objects which present themselves for our consideration. After years of discussion, numerous surveys, and a general conviction that the proposed work is within our power and our resources, we have been selected to give form and tone and character to the project, and we here thoughtfully, I trust, assume a responsibility which is not for a day, but all time. It is with this feeling I approach the subject, happy to be among the number of those to whom so great and honorable a trust is confided by the people of the United States. This is a meeting of corporators for the time being, intrusted with important duties, so important that on our present action the success of the enterprise may essentially depend.

The shape we give it will be likely to be preserved. If we appeal in the right way to the intelligence and patriotism of the people, we may hope for their support and an adoption of our recommendations; but, on the other hand, if any other than a comprehensive and liberal spirit prevail, if local interests and personal wishes are to have a preference, we may expect to see an early application for the repeal of the act of Congress, an intention to which utterance has already been given, even in my hearing.

What, then, is our plan? How shall it best be put forth to the public? How can we assure capitalists of its remunerative character?—how convince the people, who have loaned us the national credit, that their confidence is not misplaced, and that their favor is not bestowed on an unworthy and ill-considered scheme? And how shall we accomplish what we now inaugurate, in the shortest time, in the most substantial manner, and at the least expense? All this we shall have to point out, if we expect to obtain, outside of the government, any large financial support. It is for us to show this in the first place, for, if the necessary subscriptions are not obtained, sufficient to commence and proceed with the work, the generous aid of the national credit will not be fully available. In this, as in almost all other great efforts, it is the first step which costs.

The letter of our duty is plain enough. It is set forth clearly in the act of incorporation. The first question is, where shall we open books of subscription, with how much notice, and to whom shall this duty be entrusted? Shall these books be opened without preliminary maps, tables,

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explanations, and arguments, or shall these be carefully prepared and given adequate circulation at the start? Shall the number of Directors hereafter to be chosen be thirteen in number, or be enlarged? Shall a railway of almost two thousand miles extent be left to the management of a few or many persons? May they be taken from one State, or distributed equitably among all the States furnishing the capital, or in proportion to the subscriptions? These questions considered in time, and decided in time, will have an important bearing on the immediate success of the project,—immediate I say, for even if we should falter in our present movements, the Pacific Railroad will survive all errors, all mistakes; it is a work certainly and finally to be accomplished.

From the words of the act, I have inferred that the details of the work will fall into the hands of the direction the moment it is duly elected, and that, therefore, we, as the original corporators, need not embarrass ourselves with ulterior matters of engineering or finance. We are not even to put the first spade in the ground, but must see that the money is ready for the laborers when the first turf is raised.

When this project was first entertained, after the conquest and acquisition of California, it was looked upon by many reflecting people as one not only visionary, but not within the range of possibility. The poetry of the idea is, however, found reducible to prosaic fact. We have no longer before us a castle in the air to dream about, but a real, substantial, actual edifice to construct.

This Pacific Railroad is an absolute, exacting necessity. We have a sister State on the shores of a great ocean, which we early sought to reach, to which the star Empire was leading us, and at which we now have actually arrived, unequalled for its mineral wealth, its admirable climate, and its exhaustless fertility, an empire in itself, an ally, a friend in need, the most civilized and prosperous country on the whole Pacific Ocean, not a colony of tawny natives, mixed up with European masters, held by force, and robbed by them at pleasure, but a republican State, recognising the laws of Christianity and civilization, already mature and prosperous. Sprung originally, like another Minerva, from the brain of the American Jove, California could, after a few years, build this road alone. According to the government survey she possesses four hundred thousand square miles of territory, which would give eight States as large as New York, fifty as large as New Jersey, and fifty-seven as large as Massachusetts. With a population equal per square mile to that of New Jersey, California would support eighteen millions of inhabitants; if equal to New York, twenty millions; and if equal to Massachusetts, forty millions.

That she will be a staunch supporter of the work is very certain. Her representatives in Congress in fact secured the passage of the act. Her sons are here with us to-day to see if we comprehend the vastness of the enterprise. To leave such an ally and friend to the hazardous connection of long and dangerous voyages, to the border intrusion of two large foreign dependencies, Russian and British America, would be but a poor return for their loyalty to the Union, and a poor exchange for the valuable products she now sends to us through her golden gates, and which enable us to meet the unfriendly drain of the foreign bankers, not only with impunity but indifference. In the spirit of enlightened selfishness, then, if in no other, we must perceive, that the construction of this railroad is an absolute necessity and an unexampled advantage to ourselves.

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We have not only a large and profitable trade with California, but with countries far beyond, which has been conducted, though spiritedly, perseveringly, and profitably for many years, yet at an unnecessary cost. The road to India, to China, to Japan has been a long and circuitous one; we have had to pay toll to the turnpike keepers, the bankers of Liverpool and London, when we wished to pass to the East for our teas, our silks, or our drugs. Freights, insurances, commissions, and premiums on bills of exchange have piled up their charges upon our imports, on something of the principle of KEPLER's famous law, increasing "as the square of the distance."

Let us have this road and our invoices will be shorn of most of these items, so formidable in any European account rendered, as many of us no doubt have happened to know. All we save in these will be a reduction in price to the consumer here at home. The day is near at hand, I trust, that when we drink our cup of tea, we shall do so without having lost a single drop to any inimical banker.

The extent and importance of our East India trade have been growing familiar to the American comprehension. But before we examine into this, let us see what we are to gain by it for ourselves. In Congress, and while the Pacific bill was under consideration, Mr. McDOUGALL, the Senator, and Mr. PHELPS, a Member of Congress from California, most ably presented this subject before it, being comprehensive and masterly in their arguments in favor of its passage. Mr. McDOUGALL stated the fact, that the United States Government paid yearly for transportation to California, to be saved by the use of this road, no less a sum annually than $7,357,000. This was no guess work, it was taken from the Report of the Chairman of the House Committee. It is about 100 per cent more than the interest guarantied by the government on the completion of the road. This difference, with the five per cent reserved to the government by the bill, will pay the whole principal and interest of the bonds years before they mature.—[See *Evening Post*, July 6th, on Mr. McDOUGALL's speech.]

But let us see for a moment, and realise if possible, the results of Mr. McDOUGALL's calculations, which I learn from him, were the result of months of careful consideration, and which are below rather than above the mark.

From his speech in the United States Senate on the bill, we make the following extracts:

STARTLING CALCULATIONS AS TO THE PACIFIC RAILROAD.

The present cost and loss of the transportation of men and merchandise between Boston, New York, Philadelphia, and Baltimore on the one side, and San Francisco on the other, from the best compiled statistics, may be stated thus:

Passenger transits both ways, including overland transits, 100,000, averaging $150 per capita	$15,000,000
Time of passenger transits, average forty days, and counting them as dead labor while in transit and otherwise, their average labor worth two dollars per diem.....	8,000,000
Freights both ways around the Horn, 215,000 tons, at an average of twenty dollars per ton.....	4,300,000

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Value of freights both ways, other than gold and silver, $110,000,000. On this, by the reason of twice passing through the tropics, there is, from leakage, sweating, and other causes, a loss of not less than seven per cent not covered by insurance	7,700,000
Insurance, and gross losses uninsured; that is, where parties are their own insurers, three per cent	3,300,000
Interest on the capital which may be considered dead while 135 days in transitu—say four per cent	4,400,000
Government transportation, as stated	7,357,000
Isthmus transportation (excluding passengers) and insurance on the same	3,250,000
Freights to Nevada Territory, employing 2,000 teams 200 days each year, at a cost of twenty-five dollars per team.	10,000,000
Passenger transits to and from Nevada	2,500,000
Passengers and freights to and from Denver and Salt Lake, estimated without data at	10,000,000
	$75,807,000

The cost of the same business and service by a continuous line of railroad from San Francisco to the point of delivery east, and the reverse, may be stated thus:

Two hundred and fifteen thousand tons, at $30	$6,450,000
Interest on $110,000,000 for ten days, one-third per cent	366,666
One hundred thousand passenger transits at $50 each	5,000,000
Ten days each passenger in transit, loss $2 per diem	2,000,000
One hundred tons gold and silver, $300 per ton	30,000
Isthmus merchandise	1,250,000
Nevada, Utah, and Colorado passengers and freights, estimated	2,500,000
Damage and insurance	1,600,000
Government freights and transportation, computed as equal to interest	3,773,800
	$22,970,466

But there is another important view of this subject. Mr. PHELPS, the Member of Congress from California, in his speech on the same subject, exhibits a statement equally astounding as to the condition of our East India trade, and the losses it is subjected to on its present basis. He remarks:

"Our imports from China in the year 1857 amounted to $8,356,932, and our domestic exports to China, $3,019,000, leaving a balance against us of $5,337,032. In 1858 our imports were $10,570,536, and our exports $2,467,645, leaving a balance against us of $8,102,891. In 1860 our imports from the same source were $13,566,641, and our exports $7,170,784, leaving a balance against us of $6,395,802. These figures exclude the exports of gold and silver. It will be observed that our trade with this nation is rapidly increasing, our imports having risen from 1857 to 1860 about sixty per cent. * * * * * * *

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"It is reasonable to suppose that under any circumstances the balance of the trade will not at any time be less than in 1860; say, $6,400,000. This amount of indebtedness is mostly paid through English houses, at a cost to us of about twenty per cent. At this rate, continues Mr. PHELPS, the cost of remittance is $1,280,000 annually, and becomes a part of the price to the American consumers of tea.

"If we can, by the construction of this road, turn this treasure shipment to new channels, and it can be made from San Francisco in twenty-three days, saving from the present specie route at least sixty days in time, reducing the cost of shipment, including exchange, freight, interest, and insurance, to not exceeding four per cent, it would cause a net annual saving to our people of $984,000. To the sum thus saved should be added the cost of the same amount of treasure shipped from San Francisco to New York, which cannot be done at less rates than three and one-half per cent, and would amount to $259,000.

"I may very properly add, that the *entire* balance of trade against us on what is known in mercantile parlance as the East India trade, will not fall short of $18,000,000 per annum. On this sum the saving in exchange would amount to $3,600,000. But these are but a small portion of the benefits this country would derive from the diverting of the specie route of the world into American channels of trade."

Fifty millions of treasure which annually find their way to the East by the old commercial routes, would necessarily change their direction and come westward over this road. Nor was Mr. PHELPS out of the way when he said this. Its construction is even now as much dreaded by our foreign enemies, as the restoration of the Union itself. Not long since I cut from a leading London journal a paragraph founded upon this very supposition, though first suggested by speculations in a California print. It reads thus, and is so pertinent that I may be excused for asking attention to its details:

"The California papers state that an enormous sum of money would be saved by English, French, and American merchants in premiums on gold if a steam communication existed between San Francisco and China. California sends to the eastern States of America, England, and France, eight millions sterling of gold yearly to pay for goods which it wants. San Francisco is twenty-five days from China, the Eastern States of America are seventy days, and England and France are sixty days from China. A New York house, we will say, imports every year £100,000 worth of goods from China, and exports goods to the same amount to California. That State pays three per cent on the £100,000 worth of gold sent to the New York house, and the latter pays six per cent to send it to China. Now if steam packet communication existed between San Francisco and China, there would be no necessity to incur the expense of thus sending specie three parts round the globe. California could pay to China the £100,000 owed by the New York house, and thus California, China, and New York would be quits. A telegram from New York to San Francisco could manage the business. In the same manner, California could pay to China what it owes to France and England. In ten days, by means of the Continental American Telegraph, A, in London or Paris, could send to B in San Francisco, to forward to C in Hong Kong, the amount owing

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from B to A, and which A owes to C. About seven per cent out of nine would thus be saved. Now, seven per cent on £8,000,000 is nearly £600,000."

Thus we see the truth is beginning to be perceived abroad, and the article foreshadows the conclusion. I make but a single objection to its corollary—I say it with all possible good humor and courtesy—San Francisco will not be the clearing-house, it will be New York. Threadneedle Street, the barometer of the financial world, will find its fluctuations registered there, and Wall Street will be the vernier of the scale.

But in order to do justice to these considerations, another subject material in interest presents itself. The railway while in itself a project worthy of our utmost exertions to complete it, will necessarily involve another, and this is an ocean mail steam service on the Pacific. I believe that Congress at its last session had a bill before it granting a subvention to a California company of $500,000 for that purpose. It was not passed; if it had, I should rejoice; I only wish the same assistance had been extended to the Atlantic companies. But I had the opinion then, as I have it now, that this service may be maintained in a simpler and more efficient way. It is well known, that within the last two years a large number of wooden as well as iron steam sloops have been added to our navy. Some of them are very swift vessels; but when this war is over what is to be done with them. Iron armor has superseded wooden walls. The latter must be abandoned in all future naval wars. Our wooden ships of the class I have mentioned, most of them new and costly, will be laid up in our navy yards, laid up "in cold obstruction and to rot;" in all probability a dead loss to the country! All then the government has to do, is to place these supernumerary vessels on the ocean as government mail packets, to reduce their armaments and crews to a peace standard, and establish regular lines on the principal routes between our chief Atlantic and Pacific ports, and those of the foreign countries with which we trade. They will perform the double duty of protecting our commerce, and becoming its active auxiliaries. This will be far cheaper than to grant subventions and monopolies to private companies, and avoid all the unpopularity of such measures. We should not wait a moment to do this, as soon as this war is over. All our ocean mail service is now performed in foreign ships. We have not a regular mail steamer afloat. There is only an occasional private steamer to Havana. If a New York merchant wishes to write to his agent in Liverpool, or Havre, or Bremen, or Rio Janeiro, or Monte Video, or Vera Cruz, or Para, or Hong Kong, or Hakodada, his letter must go forward in an English mail bag. Take ten or twenty of our fastest steam sloops and place them on those routes, and our commerce will immediately revive. We shall be able to compete with all and every of the nations of the old world, in the markets where they thrive, and from which they receive their regular correspondence.

How much might be said in favor of the propriety of this measure, of the necessity of regular commercial correspondence, of the advantage of employing as many of our gallant naval officers as possible after the war is closed, of keeping a picked class of our brave sailors afloat, and of the security it would give our merchants in their foreign transactions. As early as last April, I suggested this plan in the columns of the New York *Evening Post*, and submitted it to the consideration of various distinguished

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members of Congress, whose approbation it secured. But in the condition of public affairs the proposition could not even be discussed. I hope that this Convention will think of it before they adjourn, and by resolution or some other way, give it their indorsement. It is material to the prosperity of the Pacific Railroad. I need say but one thing more on this head. The French Government, whether the idea was original with it, or went from this country, I do not know, has recently adopted the plan, and has placed a number of its wooden steam sloops on distant mail routes to carry treasure, passengers, and mails. Strange to say, that while in the construction of river and lake steamers we are far in advance of all other nations, in our oceanic enterprise we are far behind them. Even the cities of Bremen and Hamburgh have more mail packet steamships afloat than the United States.

Is there any difficulty in the construction of this road? None worthy a doubt. The numerous governmental surveys, many of them made by engineers whom we now recognise as heroes, have settled the general question. The grades for a great portion of the distance are almost imperceptible. The materials are at hand, and of sufficient cheapness to give assurance of an economical construction. More than this, it is now demonstrated that railways may be built at a far less cost than formerly. One hundred and thirty-seven new railways are about to be commenced in the small islands of Great Britain, under the inducement that they may be built for nearly one-half less than they formerly were. Have we laborers in sufficient numbers to accomplish the work rapidly. This problem is solved by the fact, that we shall have at the close of this war nearly a million of men, who have been inured to fatigue, and the toils of the pick axe and the spade, who have not only shown a love of adventure and action, but the qualities of endurance and resolution. The employment will be congenial to their newly acquired taste and habits, and ensure liberal and profitable remuneration. Emigrants from abroad will flock towards this line of industrial competition, just as when our canal system was commenced, or the gold of California was discovered. As the work will be continuous for many years, we may expect to see colonies settling around the local stations, each station a village or city perhaps, ganglions, knots, and supports to the great nerve which is to thrill with life, to become supports to it as it extends, and braces as it reposes, the great sympathisers with its activity and life. Nor is the work too gigantic in itself. It is said there were giants in other days. I think I can see such now. The American railway system was a Titanic labor, but it was completed. In the ten years ending in 1860 its progress was unexampled. In 1850, the number of miles of railway in operation was $8,588\frac{79}{100}$ miles, at a cost of $296,260,128, about the amount of the whole specie in the country. In 1860, the number of miles was $30,592\frac{72}{100}$, the cost $1,134,432,909, an increase in mileage of $22,000\frac{3}{100}$ miles, and of construction $838,192,781. And four-fifths of this increase of these lines and this expenditure were in the loyal States of this Union, that having been their proportion in pretty much everything but political power, in whatever has been accomplished for the prosperity and glory of this Republic. In this honorable career of railway enterprise, the State of Ohio has led the van, having about 3,400 miles of rails laid within her limits. Illinois comes next with 2,854, New York next with 2,600, Pennsylvania with 2,300, Michigan with 1,673, Indiana with

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1,284, Wisconsin with 803, Tennessee 837, and Missouri with 657.

In comparison, then, with the actual amount of money expended on railways during the ten years mentioned, and the increase of mileage 22,000, the work of constructing a railway to the Pacific appears to be but a very simple and easy undertaking. If 22,000 miles of these new railways could be made in so short a time, and $900,000,000 readily found for their construction, can we not build one not the tenth part of the distance within ten years, and especially when the greatest part of the money is advanced by the Government? In this view of the subject our greatest difficulties absolutely disappear.

On this point, indeed, we need not entertain a doubt. Nor am I without hopes that the road will be found shorter in its lines, much shorter than has been anticipated. The very best surveys we have were made under great disadvantages, and are by no means such as would answer for working plans. For a great part of the distance the difficulties are quite inconsiderable. It is in crossing the mountains we shall meet our crosses. If we could find a straight line between the 100° or 102 degrees of west longitude and the parallel of San Francisco, it would be but about 23 degrees of longitude in extent, or calculating the distance in miles, at from 49 to 50 miles to a degree, on the parallels of north latitude 41 and 42, so that by the actual measurement, the road would not be 1,200 miles in length, could be made in half the contemplated time, and cost perhaps not half the money. I trust that while the road is being constructed from the 100° westward, more deliberate surveys may be made with the purpose of shortening the route, and if a tunnel should should be necessary at some point in the mountains, it would be no more than the French engineers are constructing at Mount Cenis, in the Alps between Sardinia and France.

The question which must occupy us first and most seriously, is the financial one. Can the money be had in quantity fast enough and large enough to construct the forty-mile sections from time to time, so as to entitle us to the corresponding credits to be loaned by the Government. I have regretted that the shares were not placed originally at $100 each, instead of the present amount of 1,000.* For a long time the public will not regard their investments in the stock as a source of immediate personal gain, though the day will come they will lose their breath in racing after it as an investment. When you address capitalists as such, you must show them a probability of the payment of interest within a reasonable time; when you appeal to patriotic minds, and the higher sentiments which overlook private interest for the sake of the public good, dividends may be left out of the inducements altogether. Let us explain for example. The city of New York with all the peculiarities incident to a compact, competing, heterogeneous population has some noble elements underlying all its faults, and in emergencies it is as sure as the foundations of the earth itself. So that whenever you can make a platform on which all can stand and all have an equality of nobleness, you may be sure it will be crowded by its citizens. I believe that almost every respectable inhabitant in New York whose labor or whose income

* The commissioners adopted this idea and will apply to Congress at its next session for the reduction.

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is equal to one thousand dollars a year could be persuaded to subscribe at least one hundred dollars to this stock, with a perfect willingness to consider it as a donation if it was necessary, or to sink it altogether. It was done when the Erie Railroad some years since was on the brink of ruin, and the citizens of New York called on at public meetings and in their wards, freely gave their aid, and knew their money would never come back to them. So are there, as I have already said, thousands who will give $100 to the Pacific Road who are not able to give $1,000, and who are willing to go to that extent, but are unable to go beyond it.

As to the general financial ability of this country to construct this work, I have not a single doubt. I have already shown what in ten years has been accomplished, and that, too, in the face of money panics and commercial revulsions, which were the effect of ordinary causes, and are attributable to the want of skill and prudence for the time being, in those men and those operations, that, in a career of prosperity are little restrained by wholesome caution, or the lessons of experience. Now the condition of war has compelled a new system of expenditure, and a basis of paper money to meet it. Whether we are bullionists or not, we must admit that no great war was ever carried on with gold and silver only. The French people overturned their monarchy with assignats, our forefathers freed themselves with continental bills, the English, who have shown such a tender sympathy for us in our financial necessities, carried on her great wars with France with very shabby looking paper. The Bank of England notes were made a legal tender, whilst gold was at a premium of 30 per cent, and the silver currency depreciated at the rate of 9*d.* on 4*s.* 3*d.* Spanish dollars restamped at the mint were forcibly passed for $1,25 cents of our money.

During the war of 1812-15, Mr. Jefferson proposed that our Government should issue $200,000,000 of similar currency, and had it been done, the Treasury would not have been so enormous a loser as it was by the agency of bank credits and bank circulation.

Without much further drain for specie to remit abroad—for it would seem that the exports of the precious metals no longer assume the proportions they did a month ago, with the fact staring us in the face of large and increasing exports also of American cereals and other products, larger during the last month than for any corresponding month in several previous and prosperous years, with a supply of treasure from the Pacific coasts of amounts equal to all we remit—we may safely calculate that there is and will be coin enough at home to resume its customary and useful office as soon as the war is closed. But as matters now stand, while the Government is expending from one to two millions a day, and these millions go into the hands and pockets of our own people, I aver the country, as a whole, is getting richer in its available means than ever it was before. We know the curious and universal estimate of the nature and offices of coin. It is the theme of philosophers, the study of bankers, the average adjuster and balance settler of the foreign merchant, his guide and his idol. But, notwithstanding, in the every day business of life, in the conduct of large transactions gold may be a nuisance. Some gentlemen in this convention could not carry the gold they represent if they had the strength of Hercules. It is almost as cumbrous as the Lacedemonian currency, and is literally carted about in Wall street in nearly the same way. Policemen walk alongside of the heavy boxes to

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see that they are not stolen; porters rush out in squads to lift it carefully into the vaults; it lies there for months and years, and no one ever sees it. It is the poor, much abused, and soiled paper money, that goes cheerfully out in the world to do the work of this concealed and idle treasure. Paper and credit have built our cities and railways, paper and credit are now fighting the greatest battle ever waged for national existence; they are still adequate to the performance of their duties, and are now and ever will be the medium of all extensive trade and commerce, in spite of all the denunciations of men who do not comprehend the diverse wants of mankind, nor care for their necessities, nor appreciate the suddenness of human changes. To say that a dollar of property has no value unless convertible at once into a dollar of gold or silver, is just as absurd as to say that a bushel of wheat in Chicago is of no value unless the bushel measure goes with it. Whatever paper the Government puts forth in this contest, is as yet in the country, and must be invested by those who ultimately retain it as property. It is the sum of all securities, and therefore the best. A bank note is referred for redemption to the capital of a few; a government bill has every foot of land, every atom of personal property, every man's labor and every man's industry and brains pledged for its final redemption. Those who want gold to settle a foreign balance, or make a purchase abroad may well pay for it, and a large premium at that. It is now become a commodity, as the bullionists and money dealers have chosen to consider it. They are all happy, I trust, in the consideration, that whatever coin is worth is now paid them for it. Let them comfort themselves with their own maxims, and admit that according to their own theories gold is now occupying its just place and power. We are content. If we want a barrel of flour, we will pay the price, if we owe a house in Liverpool who will not receive our flour for its salæratus or brass buttons, we will send it the gold and pay its price. But of a practical and efficient currency we never had a better than now, and it is believed that the country can absorb and profitably use all that is afloat and much more. It was never more plentiful in a better time. It will enable us to build this road, if its friends can be enlightened as to the character and consequences of this great work.

But to conclude, as we may obtain a better idea of a great structure by viewing it from a distance, than by looking up at it from its doorway, so of this project, we may best comprehend its grandeur by a slight change in our angle of vision. At the end of the present century it is calculated that the United States will contain a population of one hundred millions of people. What will be then the aggregate wealth of the nation no one has computed. Whatever it is now, will be then in the ratio of one hundred millions to twenty-seven, and equal to all the responsibility which in the course of events may fall upon it. We shall leave our descendants no petty patrimony of a crowded birth-place and room scarce enough to struggle in, but a continent accessible to every son and daughter of industry, and without a limit to the energies of posterity. We must not think this so formidable an enterprise, nor be alarmed at undertaking it. If we leave posterity a war debt to pay off, we give them the means to do it with. There are no doubt many conservative and over-timid minds that shrink from the very idea. So there were when the great Clinton projected the Erie Canal, and was told that it would never be filled except with the tears of a ruined people. So in

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our own city of New York. The Croton water system had honest opponents, who predicted that it could never be carried into effect except at the risk of bankruptcy; men of prudence they were, who preferred the safer course of buying water from the tea pump at a penny a bucket, to the hazardous one of bringing a large country river into town. So of the Central Park, a monument of a refined and philosophic spirit, so crowded with grateful visitors, that an admission fee of half a dime each would produce a revenue of $200,000 a year.

The Panama Railway, which is a faint adumbration of the Pacific, was a wondrous undertaking. But its capital and cost of about $7,000,000 are now practically equal to $40,000,000, on which interest is earned regularly and large dividends paid, while a fund is accumulating for future distribution and profit. I do not pretend to foresee what will be the dividend value of the Pacific Railroad to its stockholders. But when even Europe may traffic with Asia more securely, with more rapidity, and with more profit than by any route in the old world by sea or land, and when the distance from London to Canton, as now navigated, is 18,000 miles, and from New York to Canton will be but 11,000, I perceive that New York has advantage over London which must inevitably tell on the future of both cities, and end in the supremacy of that mart which commands the greatest trade. The business of this Pacific road will certainly enrich this country "beyond the dreams of avarice." What towns, what villages, what pastoral wealth will be added to those it already possesses, and out of these what new free States will emerge into life and greatness! What innumerable auxiliary lines will branch off from the main trunk to newly discovered and fertile plains, to happy valleys, and to the exhaustless mineral wealth which lies yet "unprospected" in the teeming Sierras and the gorges and golden sands of the rivers which sweep their bases. What is to prevent millions of oppressed Europeans from abandoning their ties to the soil which gives them black bread for their daily food, and demands all else for their rulers; what is to prevent them from a general hegira to the regions of gold, when the transit will be so safe, easy, and economical, and wages may be earned at every mile of the way? In the direct advantages to ourselves, we may estimate the time saved in crossing to the Pacific Ocean and going to the Eastern world, the saving of expense in freights, in insurance, in labor, the increased supplies of gold, the shifting of capital from Europe to the United States, the general distribution of means to live and to enjoy life, the advance of the useful and refined arts, the closer connection of the States, the consolidation of the principles on which our political fabric rests, and our entire independence of the *effete* European systems under which man has so long been kept down and "made to mourn."

All these results we may safely anticipate. The present troubles we are encountering, will prove blessings in disguise. In all ages and countries, principles important in their day bring forth their fruits at maturity. Waters long undisturbed become stagnant, and we should lay these trials to heart like philosophers, or what is best, like Christians. Many of the best elements in the American character, hitherto dormant and unvalued, are coming forth with an unsurpassed splendor. Fortitude, courage, persistency, self-denial, generosity, patriotism, ability, these have at last come to the front, where, I trust in God, they will remain, not again to be

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driven into the shade by political managers, who are forever " purring and mousing after petty schemes of political advancement."

Some of these qualities of the American character are showing their power in the development of this work we have in hand. We are to lay out and construct the longest continuous line of railway in the world. Its milestones, if I may be allowed an Irish license of speech, will be set along the parallels of longitude, which will be hourly passed by the trains, at a speed proportioned to their distance apart. Those travelers going west will enjoy a prolonged twilight, those coming east will have an earlier day. The journey will not be more than *we* shall have taken, who come hither from New York and are about to return. Finally, the revenue, the commerce, the crowds, the wealth, the prosperity, the national supremacy that this road will give birth to, overpower the most lively imagination.

Permit me to say in excuse for much I have said, I am not unfamiliar with the organization and construction of railways. I believe our treasurer, as well as myself, might cite one memorable example of a road with which we were connected which has fulfilled all its early promises, and never knew any serious impediments.* But railroads can now be constructed so cheaply in comparison with their former cost, that I believe we can in this instance keep within the estimates. In England, as I have already stated, there are 138 new railway lines seeking legal existence from Parliament on the ground that they can now be built so economically, as to insure ample remuneration to the stockholders, and so it will be here. I can say with confidence, as I do with pleasure, that the selection we have made of a treasurer, is a great move in the right direction, one that will give the public the assurance, that this road is commenced in earnest, that it will be honestly managed and that it will have no serious financial difficulties which cannot be overcome.

Before taking my seat, thanking you for the attention you have given me, I beg that the following letter from an eminent banker and citizen of New York, may be read by the Secretary. It was handed to me a few hours before I left the city. It is from a gentleman who, in the hereditary possession of a great name, ably wears its honors, and with universal acceptance:

[A letter was then read by the Secretary, addressed to the speaker, proffering the friendly offices of the National Bank, signed by JAMES GALLATIN, Esq. It was received with applause, and ordered placed on file with other documents which were presented for their consideration to the Convention of Corporators.]

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* Albany and West Stockbridge.

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DISTILLATION OF PETROLEUM.

SPECIFICATIONS OF THE PATENT GRANTED TO CHARLES BLACHFORD MANSFIELD, OF CLARE HALL, IN THE UNIVERSITY OF CAMBRIDGE, FOR AN IMPROVEMENT IN THE MANUFACTURE AND PURIFICATION OF SPIRITUOUS SUBSTANCES, AND OILS APPLICABLE TO THE PURPOSES OF ARTIFCIAL LIGHT AND VARIOUS USEFUL ARTS.

[Continued from page 298.]

As obtained by rectification from the still, this spirituous substance will, however, usually be mixed with a greater or less quantity of alliole and of the next spirituous substance, namely, toluole, which generally exists in the naphtha in large quantities, and which boils, when pure, at about 110 degs. A considerable quantity of this spirituous substance may be obtained by setting aside separately the last portions which pass over through the head in which the water is allowed to boil. After the temperature in the retort has reached 100 degs., or if more than one partial condenser is used by reserving the fluid which will be found in the intermediate receivers or distilling vessels, in which the temperature being between 90 degs. and 110 degs. the benzole has been distilled off, while the cumole together with part of the toluole has been kept back in the retort by the first head, and a further portion may be obtained by setting aside the first portion of distillate, which comes over on distilling through a common retort neck with or without water or steam, the residue kept back in the retort by the head on the distillation of the benzole, and it is best to set aside for toluole what comes over before the boiling point reaches 130 degs. This spirituous substance is not destroyed by agitation with concentrated sulphuric acid, and by concentrated nitric acid it is convertible into an acid somewhat similar to oil of bitter almonds. A current of air passed through it burns with a pale blue flame, and in an open vessel it will take fire on the application of a lighted match to its surface. It is of about the same volatility as good rectified naphtha, and is applicable to many purposes in which a volatile solvent is required. The residue of the crude light oil, after the separation of the aforesaid spirituous substances, consists chiefly of two oils: one of which, viz., cumole, boils at 140 degs., being therefore more volatile than oil of turpentine, whose boiling point is about 160 degs., and the other, viz., cymole, which boils at about 170 degs., and is therefore less volatile than oil of turpentine. Cumole is changed by treatment with concentrated sulphuric acid, so that if a quantity of it, or of the naphtha or oil of coal-tar containing it, be agitated with a quantity of concentrated sulphuric acid, a preparation of cumole equal to about the bulk of the sulphuric acid employed, will be concentrated into a resinous substance, which will become partly dissolved in the acid, and by concentrated nitric acid it is convertible into an aromatic oil somewhat resembling oil of cinnamon in taste and smell, or into an acid resembling benzoic acid, according to the strength of the acid, and to the duration and temperature of the treatment with such acid. And this oil, when the spirituous substances having lower boiling points have been sufficiently separated from it by distillation, will not yield to air passed in contact with it, in a "test bottle," vapor sufficient to afford

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a flame; neither will it take fire on the surface when of the ordinary temperature of the air, upon a lighted match being plunged into it in an open vessel. If, however, all the spirituous substances be not separated from it, but only the alliole, and a large proportion of benzole, it will, with the toluole which is mixed with it, have most of the physical characters and properties of the common naphtha of commerce, it should be received, if required separately, when the boiling temperature in the retort is between about 150 degs. and 170 degs., on the first distillation of the light oil, and on subsequent rectification, at a temperature nearer to 140 degs.; it will, however, require many rectifications, before it has been so far freed from the spirituous substances as to yield an oil boiling at 140 degs., and not having the property, like common naphtha, of catching fire on the surface on the approach of a lighted match.

The oil next following in the scale of boiling points, viz., cymole, which boils at about 170 degs., also has not the property like common naphtha of catching fire at the surface at the ordinarv temperature of the atmosphere, but will extinguish a match or lighted taper if plunged into it, and this oil, which is obtained chiefly from such portions of the oil of tar as boil at temperatures higher than the previous substance, is more easily obtained free from spirituous substances; and when I require to obtain a volatile oil lighter than water, and characterized by not inflaming on the application of a lighted match to its surface, I usually manufacture an oil which is a mixture of cumole with cymole, and to this mixture, or to the oil having such properties and prepared from coal-tar, or the oil of coal-tar, I apply the name of Camphole.

I now proceed to describe the method which I find most convenient for obtaining such a product.

In distilling the naphtha from which all the benzole has been separated by the processes above described, or in distilling the naphtha or light oil from which benzole has not been separated, for the purpose of obtaining camphole, the ordinary methods of applying fire, or passing steam through the naphtha are applicable, unless it is intended to regulate the distillation by the boiling point of the fluids in the retort, and in that case the distillation by steam is not applicable; and if the thermometer be not used for this purpose, the aforesaid property of non-inflammability at the surface affords a convenient test for the time when the receiver should be changed for the separation of camphole. And I apply this test by occasionally collecting a small quantity of the distillate as it runs from the condensing apparatus, from which it should run perfectly cold, in an open cup or saucer, and plunging into it a lighted match or taper. When the fluid no longer catches fire on the surface, but extinguishes the light, I change the receiver and collect now for camphole. I now continue to receive this oil until either the temperature of the retort reaches 200 degs., or 190 degs., or till the specific gravity of the oil reaches nearly that of water, or till common soft solder placed on the retort melts. Either of these indications shows that an oil having a higher boiling point and greater density than the product which I call camphole is coming over. Camphole in the crude state may have a specific gravity varying from .880 to .980, or if the distillation be continued further, to .1,000, and this increase of density is owing to the mixture of denser oils, especially of naphthaline. When pure (that is, when consisting only of hydrocarbons lighter than water) its specific gravity is not higher than .87, though to reduce it to this purity it requires many

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rectifications. It is partly destroyed by strong sulphuric acid, the cumole which it contains being converted by that acid into a viscid resinous substance; it is violently acted on by strong nitric acid, which converts it into heavy oil, or into acid substances, in a manner analogous to the action of that acid on the oil boiling at about 140 degs. This oil is generally accompanied by creosote, whose boiling point is about 200 degs. I rectify this oil by repeated distillation, either setting aside the first portions which come over on re-distillation, and which will be more volatile than the rest of the oil, and will take fire on the surface, or allowing these first portions to be mixed with the subsequent portions; and on each such distillation I prefer to cease receiving when the temperature in the retort reaches 190 degs., or 200 degs.; or, in place of the above, I rectify the oil by one operation in a manner analogous to the method recommended for distilling the more volatile substances from naphtha, except that it is necessary in this case to surround the still head with a fluid, having a higher boiling point than that of water; and for this purpose I prefer oil either volatile or fixed; if fixed oil be used, I maintain the temperature of the oil surrounding the head at a temperature which shall allow all the vapors of the camphole to pass over, but as little as possible of any substance having a higher boiling point; and for this purpose I prefer to keep the temperature of the head at or below 170 degs., by an occasional supply of cold oil, replacing oil which has been heated by the vapor which it condenses. And if volatile oils be used for the partial condensation, I prefer to take some of the oil of coal tar which it has been distilled from, till the temperature of the boiling fluid has reached 170 degs., so that one heat being applied again to the oil, it shall commence to boil at 170 degs.; and I place this oil in the outer vessel which surrounds the condensing chamber in the head of the retort, which outer vessel is not in this case open above, but is fitted with an ascending tube or neck, by which its own vapors are conducted up to a similar head immediately above, which second head is surrounded with water kept as cold as possible, so that all vapor that is evolved from the oil of the lower condenser is condensed and returned to the lower condenser, so that the oil in the lower or proper condenser will remain constantly at 170 degs., or at any temperature at which its previous ebullition may have been arrested. In the rectification of the spirituous substance the residue will sometimes contain a quantity of camphole, which may be separated, if required, in the same manner. Further, the product so obtained as camphole, by the method above described, may frequently be mixed with a certain quantity of the volatile spirituous part of the naphtha, or of common coal naphtha, without becoming inflammable at the surface; and it is convenient sometimes to make such mixture, as the mobility and lightness of the oil are thereby increased; but if too much of the volatile oil be added, the mixture will become too inflammable. Thus far of the crude oil of coal tar, which is lighter than water. I further apply my improvement to the treatment of the heavy oil of tar, commonly called "dead oil."

I submit this oil to distillation, preferring, however, to separate it as it is distilled from the tar, into two portions: a first and second—each of which should be about equal to the half of the quantity of dead oil, which the tar should yield—the object of this being to facilitate the separation from the heavy oil of a considerable quantity of the light oil last described, viz., camphole, which will remain in the heavy oil, and almost entirely in the first half, and which is more easily separated from the first half than from

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the whole of the dead oil together. The treatment is the same, however, whether the heavy oil be treated altogether, or whether the first half be treated alone, for the separation of this light oil. I do not treat the second half of the heavy oil alone for this purpose. I either submit this oil to rectification, by means of steam passed through it in the manner ordinarily practised in the rectification of the light oil, or I distil it by application of heat to the retort containing the oil, either with or without the mixture of water with the oil. I am aware that the rectification of the dead oil has been practiced before, for the purpose of obtaining a farther quantity of fine naphtha from the dead oil; but I must remark that I do not practice this for the purpose of obtaining naphtha from the oil, but to obtain a quantity of an oil which differs in its properties from naphtha, in not being inflammable at its surface, when the oil is of the ordinary temperature of the air. If steam be used, the greater part of the light oil will be carried over with the vapor of the water, and will float on the water in the condenser, and I prefer to stop this process when the specific gravity of the oil so carried over reaches 940 degs.; or I submit the oil to distillation in the ordinary manner, and cease receiving as camphole when the specific gravity has risen to nearly that of water, or when the temperature reaches 200 degs., or 210 degs., or when solder will melt on the retort, as described when treating of the distillation of the lost portion of light oil; or I adopt a head to the retort, surrounded with condensing fluid, as described for the lost light oil, whose limiting temperature I prefer to fix at 180 degs., or 190 degs., since the boiling point of the same oil will be raised considerably in this dead oil, by the greater quantity of oils having higher boiling points, which are present with it; and I continue distillation so long as any vapor passes uncondensed through this head, or partial condenser; I mix this distillate now obtained by any of these methods with the lost distillate, obtained from the light oil, as above described, being chiefly the same oil, and characterized by being slightly lighter than water, and so inflammable that it will not take fire on the surface, at ordinary temperatures, on the application of a match. Having separated from the dead oil, or from the first half of it, as much of this oil, which I call camphole, as can be obtained by these methods, I submit the residue to distillation, in a still suited to the distillation of a fluid having a very high boiling point, and therefore requiring a high temperature to be maintained in the retort during distillation; or if the first half of the dead oil has been treated alone, for the separation of the camphole, I mix the residue of it with the second half of the dead oil, or distil it alone; or I treat the residue at once in the manner hereafter described for the purification of the dead oil without previous rectification, but I prefer to distil it once, or oftener, before so treating it, as by this means certain substances are separated from it, which increase its bulk unnecessarily, and which are not required to be purified. And if so much naphthaline be present in the tar as to cause any portion of the first part of the heavy oil to solidify on cooling, when kept separate, I reject the first portions of the oil which distil over, so long as it solidifies when received in a thin film on a cold surface, and I continue to receive the oil either until the distillate, when received upon a cold surface, again commences to solidify, or till it begins to show a decided yellow color, or till the temperature in the retort, as indicated with a thermometer connected therewith, in either of the modes before described, is 300 degs., either of which indications shows that the best part of the fluid oil has come over, and that the residue contains too

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much para-naphthaline, which is an oil solid at ordinary temperatures, boiling at a temperature above 300 degs., and which diminishes the fluidity of the oil when mixed with it, and on each successive distillation the same precautions ought to be attended to. This oil, when pure, has specific gravity .900, but from the difficultv of ridding it entirely of naphthaline and para-naphthaline, it is, even when rectified, generally rather heavier than water. It boils, when pure, at about 240 degs. It is not easily destroyed by sulphuric acid; so that oil of vitriol may be used in purifying it. I call this oil, when rectified and purified, Mortuole.

I proceed now to that part of my improvement whereby I manufacture a fragrant oil or oils from some of the spirituous substances and oils distilled from coal-tar. I will first state the method of treatment which I find the most convenient in practice. I use a vessel capacious enough to hold about three times the quantity of oil which is intended to be treated, and with a long narrow neck to check any expulsion of vapor or liquid; which vessel may be of any convenient material that will not be injured by strong nitric-acid, such as glass, which should not be thick, lest it be cracked by the heat which may be evolved during the process, and glass offers the advantage of enabling the process in the vessel to be observed. I place in the vessel a quantity equal in measure to rather more than the quantity of oil intended to be treated, of the strongest fuming nitric-acid that can be obtained, of specific gravity at least 1.50; and I prefer to use the pure acid, free from chlorine. I place the vessel in another open vessel, which is filled with cold water, so as to surround the first vessel and keep it cool; I then pour into the acid as much of one of the light oils, or spirituous substances, hereafter to be particularized, as the acid will dissolve. The point of saturation is ascertained by observing when the liquid separates into two layers; I then remove the vessel from the cold water, and warm it cautiously over a gentle heat till the two layers again mix into one clear solution. I then add a further quantity of oil until the solution begins to appear turbid; I then add a few drops more of the acid till the solution is again clear and uniform, and warm the mixture slightly for a minute or two, not however allowing it to boil, I then pour the whole of the mixture into five or six times its bulk of cold water; a heavy yellow or red oil will fall to the bottom of the water, and should be about equal in bulk or rather more than the light oil originally employed. I agitate this heavy oil with successive large quantities of clean water; I allow the oil to settle to the bottom and draw off the water, after each washing, till fresh water, after being thoroughly agitated with the oil, has no longer acid properties, or I wash it with a smaller quantity of a clean filtered solution of carbonate of soda or of lime to remove the acid, and then wash the oil, after subsidence and separation, with a small quantity of water to remove the lime or soda salt. A similar heavy oil may be obtained from the rectified light oil of coal-tar by the action of nitric acid in other ways, as by using an acid of specific gravity a little lighter than 1 50, which will not dissolve the oil in so large a quantity as a stronger acid, and that not without the aid of heat; and if such acid be used it will be unnecessary to immerse the vessel in cold water, as above described, or by agitating the oil with twice its bulk of a mixture of the ordinary strong nitric acid of commerce with an equal measure of oil of vitriol; but by this method the oil will not be thoroughly converted into the required product, or by heating the oil with a mixture of sulphuric acid and nitrate of potash or soda; but I prefer to use the

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method above described, as being simpler, and yielding a purer product. And now I come to speak of that part of the oil of coal-tar, which I use for this treatment. The ordinary rectified coal naphtha of commerce, or the oil which I have described as camphole, may be converted into a heavy oil by nitric acid, and if the naphtha or camphole has been previously well purified from the acid and basic oils of coal-tar, the heavy oil so obtained will have more or less of an aromatic or fragrant smell. But I prefer to use the volatile spirituous substance, which I call benzole, since the oil produced from that substance has the most pleasant odor, and for this purpose the benzole should have been previously treated with concentrated sulphuric acid, in the manner which I shall describe, to remove the alliole, pyrrol, and piccoline; but it is not necessary to rectify the benzole thoroughly from the toluole, since the oil produced from the toluole by this treatment is very similar in smell to that produced from benzole. But I prefer to use a spirituous substance which has distilled over while the temperature in the retort, or last rectifying vessel, was between 10 degs. and 100 degs., in which case the oil will be of a light yellow, or orange color, and will have an odor similar to that of oil of bitter almonds, and is useful as a perfume, especially applicable to soap, or for conferring a pleasant flavor, when used in small quantities, upon articles of confectionery. When undiluted, it is sweet like sugar. If cumole, or a less volatile naphtha be used, the color of the heavy oil produced will be usually red, or dark orange color. The odor of the product will be more like that of cinnamon, and certain aromatic acids somewhat similar to benzoic acid will be produced at the same time, as is also the case with cymole. Care should be taken, especially if the less volatile part of the light oil be used, not to allow the action of the acid to take place suddenly, since the acid acts with violence on the cymole, and may expel the contents of the vessel against the person of the operator. It may be convenient in this case to add the acid slowly to the oil, instead of pouring the oil into the acid; and it is evident that the same method may be applied to the benzole. The fragrant oil so obtained may be rectified by distillation, if required, either by passing steam through it, or by heat applied to the exterior of the retort containing the oil; but since the oil boils at a high temperature, viz., at about 210 degs. or 220 degs., and is liable to decomposition if exposed to a higher temperature, it should not be distilled over a naked fire, and it is better to distil it by immersing the retort in a bath of sand or oil, the temperature of which is not allowed to rise above 220 degs. I call the heavy fragrant oil thus produced from the light oil of coal-tar, nitro-benzole.

What I claim in respect to this first part of my invention is, the manufacture from bituminous matters, by acting upon them at suitable temperatures, of spirituous substances, which are so volatile that a current of atmospheric air, at ordinary temperatures, passed through them may, when ignited, continue to burn with a luminous flame till all, or nearly all, such substances are consumed.

I also claim the manufacture from oil, or tarry matters, distilled from coal, by acting on them, or on matters produced therefrom, at different temperatures, of the products herein described, which I have called alliole, benzole, toluole, camphole, mortuole, and nitro-benzole. And here, by alliole, I mean a spirituous substance, which consists chiefly of a dydrocarbonaceous matter, more volatile than benzole; by benzole I mean a spirituous substance whose boiling temperature is chiefly between 80 degs.

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and 100 degs., and is such that if cooled to 20 degs. below 0 degs., it will become in part solid; by toluole I mean so much of the light oil of coal-tar as may remain after the separation of the alliole, benzole and camphole; by camphole I mean an oil lighter than water, which, when of the ordinary temperature of the air, will not take fire on the surface on the approach of a lighted match, and whose boiling temperature lies chiefly between 140 degs. and 180 degs.; by mortuole I mean an oil whose boiling temperature lies chiefly between 200 degs. and 260 degs., obtained by the methods above described; by nitro-benzole I mean a fragrant oil prepared from the oil of coal-tar by the action of strong nitric-acid.

And now having described the spirituous substances and oils which I manufacture from coal-tar, or from the oils or naphtha distilled from coal-tar, and the methods by which I manufacture them, I will proceed to the second part of my invention, viz., to that which relates to the purification of volatile bituminous and empyreumatic oils, which are found in nature, or produced by the destructive distillation of organic substances, or of mineral substances, containing or consisting of matters of organic (that is, of vegetable or animal) origin; which invention is especially applicable to the spirituous substances and oils which are manufactured according to the first part of my invention, and is partly applicable to the purification of bituminous and empyreumatic oils in general.

I will proceed to describe this part of my invention as specially applied to the spirituous substances and oils particularly described in the first part of my invention, and as I proceed, will show in what manner it is partly applicable to empyreumatic oils in general. As applied to the purification of the aforesaid particular spirituous substances, it depends partly upon the properties and partly upon the nature of the foreign substances which accompany them, and whose presence in the different parts of the distillate depend upon the different volatilities of these foreign substances approaching more or less closely to those of the oils and spirituous substances which I desire to purify.

And for the more perfect understanding of this part of my invention, I will state what these impurities are, of which I propose to free the hydrocarbons. It is well known that ammonia, in large quantities, is present in the crude tar-oil, besides which there are several oily alkaloids, known to chemists as aniline, piccoline, pyrrol, &c., which have different boiling points, and some one or more of these are found in all the crude oil of tar, at whatever temperature it may have been distilled, as some are very volatile and some are less so. All these bodies are removable from the neutral oils by acids, which for this purpose need not be highly concentrated.

There are certain acid oils, such as creosote, carbolic, and rosalic acid, which are found principally in the less volatile portions of the oil. These acids are removable from the oil by treating it with caustic alkalies. Further, there are some substances in the crude oil which gradually absorb oxygen from the air, and become brown, thus giving the well known property of becoming dark-colored by being kept. There is very little of this substance with the most volatile spirituous substances, and the largest portion of it is found in the oil, which boils between 140 degs. and 200 degs. These substances are removed by being at once converted by treatment with strong acids or caustic alkalies, or other oxidizing agents, into their brown state, in which they are no longer volatile, and are therefore left behind on distilling the oil.

(To be continued.)

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COMMERCIAL CHRONICLE AND REVIEW.

BUSINESS—GOVERNMENT DEMANDS—DEPOSITS—GOVERNMENT PAPER—TAXES—EFFECT ON MANUFACTURES—IMPORTATION—DUTIES—DEMAND NOTES—IMPORTS—EXCHANGE—EXPORTS—SPECIE—GRAIN—HARVESTS ABROAD—MORE GRAIN FOR LESS MONEY—COTTON IMPORTS INTO GREAT BRITAIN—RECEIPTS FROM THE UNITED STATES—EXPORTS OF COTTON GOODS—RISE IN COTTON—SPECIE MOVEMENT—EFFLUX OF GOLD—BREADSTUFFS AS A REMITTANCE—EFFECT ON STOCKS—COMPARATIVE RATES—AGGREGATE EXPORT OF GOLD—DEPOSITS AT THE BANKS—SPECIE IN THE BANKS—THEIR PROFIT ON THE RISE—GOVERNMENT INTEREST IN OCTOBER—SPECIE IN FRANCE AND ENGLAND—INFLUENCE OF THE INDIA TRADE—INDIAN DEMAND FOR SPECIE—AMERICAN GOLD TO BUY INDIAN COTTON—GOVERNMENT RECEIVES GOLD ON DEPOSITS—THE COURSE OF POLITICAL EVENTS.

THERE has been rather more business done during the month, although the general course of trade has been checked by the large military movements of the government. The demand for 600,000 men had the effect of calling numbers from their usual employments, and of inducing many to attend to the duties of filling up the regiments, and of arranging their business in view of the contingency of a draft. Nevertheless, there has been a reasonable activity in the different departments of trade. There is, despite the disposition to economize, a gradually increasing scarcity of goods, and growing necessities which demand more or less business. The filling out of the new levies also gave a spur to all those branches of manufacture which are more or less connected with the government requirements, and the prices of raw materials have risen in a marked manner, and there has been some increased demand for money for these purposes, as well as for the large sums paid in bounties to the troops. These sums are estimated at nearly $90,000,000, and although the collection of it from individual towns and cities caused some demand, the disbursement of it again for the necessities of the soldiers and their families gave a stimulus to business in almost all localities where the troops are mustered. The general business done has, to a far larger extent than usual, been for cash, and, as a consequence, the deposits at the central banks have not ceased to increase, and as will be seen by inspection of the bank returns on another page, are now far larger than ever before. In New York alone they are over $145,000,000, being an increase of $50,000,000 since April. The government is by far the largest customer for goods, and as it disburses its paper all those who supply it or its employees with commodities get the paper in exchange, and it accumulates in the banks. Under this process the amount of business paper created is small, and the banks accordingly find very little offering for discount, and they resort to the government securities. The government in making its large demands for commodities offers no equivalent; it merely emits its promises without hitherto having any definite mode of redeeming them. They are indeed convertible into other interest-bearing promises, but this only increases the sum of its liabilities. With the present month, however, commences the operation of the tax law, which is altogether an untried

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influence upon this community. The vast machinery of assessors, collectors, inspectors, &c., is to be created and put in operation, and its application will encounter the multitudinous shifts which every description of industry will naturally present to diminish the force of its operation, and this may be expected to affect general business. So much under the law is left to assessors, that when we reflect upon the keen rivalry which has hitherto existed in all branches of business, the fear arises that the tax and the mode of its administration will prove the turning point between success and failure among numbers of producers. The main tax of three per cent *ad valorem* upon the gross value of all manufactures, will prove severe in some cases. In the cotton manufactures at this moment, when the price of the raw material is 53 cents for midling qualities, or five times the ordinary price, and goods have by no means advanced in equal proportion, the manufacturer is crowded between the loss in running and the loss in stopping. A large number of factories are running at a loss. They employ their hands and keep the mills in action, knowing that in the cost of the raw material and the cost of labor expended in producing cloth, (to the extent say of $100,000 per annum,) there is a loss of perhaps $4,000 in the operation, inasmuch as the price of the cloth has not risen in proportionto the material, ; but to close the mill and discharge the hands will cost $6,000 per annum. Hence it is better by $2,000 to keep the mill running. Now the tax of $3,000 imposed will inevitably close the mill, because it will make it cheaper to do so. It is said that the manufacturers will put the tax upon the goods to be paid by the consumer. This no doubt will be the case in active markets, sufficiently buoyant to bear the increase, but not as now, when the markets drag behind the raw materials. In this manner a vast number of changes may be expected to grow out of the operation of the tax, and the apprehension of these changes will make a close adherence to cash terms prevalent.

The collection of the taxes will at least cause a current of paper to set into the treasury of the government, thus in some degree supplying it with means, and absorbing much that is now outstanding. The importations at the port have been such, in connection with the high duties, as to raise the sum of the customs to a considerable extent. In the first eight months of the present year the amount collected in New York has been $37,137,792, or ten millions more than in the corresponding period of 1860. These customs have indeed been collected in the government promises, of which there were outstanding, in demand and treasury notes, about $85,000,000 available for that purpose. Of this sum there is still outstanding about $45,000,000, which must be absorbed before the duties are payable in gold. It is to be remarked, however, that the demand notes are now at 16 per cent premium, and gradully creeping up to the value of gold itself. The law of 1857 required that there should be published on the first of every month a return of the amount of treasury notes outstanding, for the information of the public, and that clause was made applicable to the present issues by the law authorizing them, and it is much to be regretted that the Secretary of the Treasury does not comply with that law and make the publication.

The following table shows the imports at the port of New York, monthly, for eight months:

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IMPORTS, PORT OF NEW YORK.

	Specie.	Free goods.	Entered for Consumption.	Entered for Warehouse.	Total.
January.....	$163,658	$2,552,050	$6,663,396	$3,141,725	$12 620,829
February.....	62,007	3,381,473	7,058,174	3,370,486	13,872,140
March	89,327	3,476,004	10,312,689	4,841,846	18,719,866
April.....	26,152	2,232,315	7,141,197	3,853,218	13,252,882
May.....	110,383	1,146,093	8,091,120	4,600,920	12,948,516
June	61,023	1,122,092	7,278,953	2,874,127	12,336,195
July.....	219,001	1,831,932	13,799,505	4,502,764	20,353,202
August	92,713	982,992	10,289,427	2 939,721	14,304,843
Total, 8 months..	$823,269	$17,024,951	$70,734,461	$31,124,807	$119,708,478
" 1861.....	33,955,718	22,174,189	38,551,615	33,102,135	127,647,700

It will be observed that the receipts of free goods have diminished monthly. As compared with last year, the aggregate imports, exclusive of specie, is some $24,000,000 larger than last year, although the receipts of specie have greatly diminished. The importations now struggle against the increased cost of import on one hand, and the sluggishness of the markets on the other. The rise in the price of demand notes necessary for duties has been 5 per cent during the month, and exchange has ruled about 2 per cent higher. This, on goods paying a duty of 40 per cent, has been equal to an increased cost of 4 per cent on the invoice in one month. This uncertainty of the costs is one of the enormous evils of paper money, now about to be developed.

The price of bills for each week has been comparatively as follows:

RATES OF EXCHANGE.

	London.	Paris.	Amsterdam.	Frankfort.	Hamburg.	Berlin.
Feb. 1,	113 a 113½	5.10 a 4 95	42¼ a 43½	43¼ a 43½	37 a 38¼	75½ a 76
" 15,	115 a 115½	4 97½ a 4.90	42¾ a 43½	43¾ a 44	37⅝ a 38½	76½ a 77
Mar 1,	112 a 113	5.05 a 5.00	42½ a 43	42¾ a 43	37 a 37¾	75¼ a 75¾
" 15,	112¼ a 112½	5.07½ a 5.03¾	42½ a 43	42¼ a 43¾	36⅝ a 37¾	74¾ a 75
" 22,	111 a 112¼	5.08¾ a 5.00¾	42 a 42½	42½ a 42⅝	36⅝ a 37¼	74 a 74½
" 29,	111 a 112	5.10 a 5.05	42 a 42½	42¼ a 42½	36⅝ a 37⅛	74 a 74½
Apr. 5,	111½ a 112½	5.07½ a 5.02½	42¼ a 42¾	42½ a 42¾	36⅞ a 37½	74½ a 75
" 12,	111¾ a 112½	5.10 a 5.03½	42 a 42½	42½ a 42¾	36¾ a 37¼	74¼ a 71¾
" 19,	111⅞ a 112¼	5.10 a 5.03¾	41¾ a 42¼	42¼ a 42¾	36⅝ a 37¼	74 a 74½
" 26,	111½ a 112½	5.02½ a 5.07½	42¼ a 42½	42½ a 42¾	36¾ a 37¾	74¼ a 74¾
May 2,	112½ a 113½	4 97½ a 5.02½	42¼ a 42¾	42⅝ a 47⅝	37 a 37½	74¼ a 74¾
" 10,	113 a 114	4.91½ a 5.02½	42½ a 43	42¾ a 43¼	37½ a 37½	75 a 75½
" 17,	113 a 114	4.96¼ a 5.00	42⅝ a 43	42⅞ a 43¼	37⅝ a 38	75 a 75¾
" 24,	114½ a 115	4.92½ a 5.00	42⅝ a 43	43 a 43¼	37½ a 38	75¼ a 75½
" 31,	114 a 114¾	4.95½ a 4.91¼	42⅞ a 43½	43¼ a 43½	37½ a 38¼	75¾ a 76
June 7,	114 a 115	4 95 a 4.91	43 a 43¼	43¼ a 43½	37⅞ a 38¼	75¾ a 76
" 14,	117¼ a 118	4 75 a 4.82	43¾ a 44½	44½ a 45	39 a 39½	76¾ a 77½
" 26,	120½ a 121	4.70 a 4.66	44½ a 45	45 a 45½	40 a 40½	78 a 78¾
July 5,	120 a 122	4.70 a 4.62½	55¼ a 45½	45 a 45¼	45 a 45¼	79 a 79½
" 12,	127 a 129	4.33½ a 4.31¼	48 a 49	48 a 49	42½ a 43½	84½ a 85½
" 19,	128½ a 131	4.37½ a 4.32¼	48½ a 49	48½ a 49	43 a 44	86½ a 87½
" 27,	126 a 129	4.45 a 4.35	47½ a 48½	48 a 48½	41½ a 42½	85½ a 86½
Aug. 2,	125 a 127	4.52 a 4.55	47¾ a 48¼	47¾ a 48¼	41¾ a 42	82 a 83
" 9,	124 a 126	4.55 a 4.47½	47 a 47½	47¼ a 47½	41 a 42	82 a 82½
" 16,	126½ a 127½	4.45 a 4.40	47½ a 47¾	47½ a 48	42 a 42½	83 a 83½
" 23,	126¾ a 128	4.45 a 4.40	47½ a 47¾	47½ a 48	41⅞ a 41½	82½ a 83½
" 30,	126¾ a 127¾	4.45 a 4.40	47½ a 47¾	47½ a 48	42 a 42½	83½ a 84
Sept. 6,	128¾ a 130	4.36¼ a 4.32½	48½ a 49	48¾ a 49¼	42¼ a 43	85 a 85½
" 13,	126½ a 131	4.36¼ a 4.30	48¾ a 49¼	49 a 49½	42¼ a 43⅛	85¾ a 86¼
" 20,	128¼ a 129½	4.42 a 4.35	48¼ a 48¾	48¼ a 48¾	42¼ a 42¾	85 a 85¼

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The exports from the port during the past month have been as follows:

EXPORTS, PORT OF NEW YORK.

	Specie.	Foreign. Free.	Foreign. Dutiable.	Domestic.	Total.
January.....	$2,658 374	$27,193	$149,493	$12,053,477	$14,948,437
February..... ...	3,776,919	49,066	208,757	10,078,101	14,112,843
March	2,471,233	65,388	458,917	8,985,176	11,9[illegible]0,714
April.....	4,037,675	56,350	607,678	8,002,094	12,703,797
May..... ...	5,164,536	76,971	752,797	9,837,693	15,342,097
June.....	9,867,614	43,358	372,561	10,048,832	20,332,375
July.....	8,067,337	1,117,193	449,948	14,050,437	23,681,915
August.....	3,713,532	417,100	256,680	13,046,389	17,833,701
Total, 8 months.	$39,757,220	1,872,629	$3,256,831	$86,102,199	$131,369,879
" 1861.....	3,264,055	1,946,619	3,875,911	82,682,529	89,769,117

The exports of specie have been less for the month of August, under the rise which has taken place in its value and the impetus given to the export of breadstuffs. The movement in those articles has been very large for the year, and their value from the port of New York has been $65,000,000, or three-fourths of the whole value of domestic exports. The export quantities sent to Great Britain and Europe will be found on an another page of this number, and it will be observed that the quantity so sent has been larger than ever before, and has proceeded at a small price. In other words, we have given large quantities of grain for little money, yet those quantities of grain exported to uncertain markets have been the chief dependence for the payment of the goods imported. For the coming year the wants of Europe, in respect to grain, are represented as less, but the imports will not, in all probability, be much less. The crops are now, at this early period of the year, represented as good in England, and, on the other hand, the distress in the manufacturing districts is very great, and this leads to diminished consumption of food. The probability is, therefore, that if as much grain is exported this year as last it will realize less money. The following table, from the English official returns will indicate the effect of the war upon her trade. The cotton imported into Great Brittain for seven months, to August 1, 1862, was as follows:

	Brazil.	Egypt.	East Indies.	Other places.	U. S.	Total.
1861.... cwts.	66,223	256,024	1,041,798	33,198	6,714,499	8,111,742
1862	118,775	396,017	1,159,289	170,200	40,482	1,884,763
Decrease..... .....cwts.					6,674,017	6,226,979

The value of the cotton imported in 1861, was $117,500,000; in 1862, $38,000,000—a decrease of $79,500,000 in the money paid for cotton alone. This is one reason of the continued abundance of money in England. The decline in the amount paid to the United States was one hundred million. Owing to the fall in the price there was also a fall in the amount paid to the United States for food, thus:

VALUE OF CERTAIN IMPORTS FROM THE UNITED STATES FOR SIX MONTHS.

	Cotton.	Wheat.	Wheat Four.	Total.
1861.....	£20,706,200	£3,332,038	£1,844,705	£25,882,143
1862.....	226,937	3,067,549	1,941,905	5,236,391
Decrease.....	£20,479,263	£264,489	.....	£20,645,752

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Notwithstanding the great decrease in the imports of raw cotton into Great Britain, her exports did not decline in proportion. They were as follows:

	Cotton Goods.	Cotton Yarn.	All other goods.	Total Exports.
1861.....	£21,117,913	£5,300,555	£43,819,217	£70,237,685
1862.....	17,541,415	4,080,328	48,024,637	69,446,480

The well known influence of distress in England is to increase exports of those goods the consumption of which diminishes at home. The over stocks of cotton goods are now greatly reduced, and the price of cotton has risen to 62 cents per pound for New Orleans. The effect of a re-opening of the Southern ports for the sale of cotton would, under these circumstances, produce an enormous demand for money in England and at the North. It would be a long time before cotton would fall to its old level. In the meantime, breadstuffs being the only dependence of the North, to pay for sugar, tea, coffee, and other imports, the prospect is of a large export of specie, of which the movement has been as follows:

SPECIE AND PRICE OF GOLD.

	1861.		1862.			
	Received.	Exported.	Received.	Exported.	Gold in bank.	Price of gold.
Jan. 4...	.....	.....	.....	$442,147	$23,983,878	2 a 4 prem.
" 11...	$1,445,385	.....	$885,923	1,035,025	25,373,070	4 a 5 "
" 18...	1,446,219	.....	.....	547,703	26,120,859	4 a 4½ "
" 25...	1,246,029	$22,855	627,767	322,918	26,698,728	2 a 3¾ "
Feb. 1...	1,514,154	289,669	.....	310,484	27,479,533	3¼ a 3½ "
" 9...	1,052,313	115,698	854,000	976,235	28,196,666	3¼ a 3¾ "
" 15...	1,056,426	117,101	614,146	1,156,154	28,114,148	4 a 4¾ "
" 22...	.....	187,253	759,247	734,512	28,875,992	3 a 3¾ "
March 1..	855,755	176,161	741,109	510,774	29,826,959	2 a 2¾ "
" 8...	.....	.....	679,075	585,236	30,436,644	1⅝ a 2⅜ "
" 15...	815,524	123,316	677,058	477,335	30,773,050	2 a 1½ "
" 22...	.....	91,161	.....	540,968	32,023,390	1½ a 1¾ "
" 29...	699,597	6,088	490,368	779,564	32,841,862	1¼ a 1½ "
April 5...	996,445	628,708	581,292	673,826	33,764,382	1¼ a 1 "
" 12...	1,110,231	323,906	.....	1,505,728	34,594,668	1¾ a 2¼ "
" 19...	.....	328,127	617,279	693,432	34,671,528	2 a 1½ "
" 26...	844,577	1,000	635,546	1,151,300	35,297,944	1½ a 1⅝ "
May 2...	.....	800	410,804	712,275	35,175,828	2¾ a 3⅜ "
" 9...	868,600	27,695	484,019	1,574,166	32,239,868	3¼ a 3½ "
" 17...	755,102	.....	604,682	1,093,031	30,280,697	3 a 3⅝ "
" 24...	1,913,355	.....	604,682	938,032	30,672,760	3¼ a 3⅝ "
" 31...	2,282,137	500	224,911	881,452	31,397,284	3½ a 3⅝ "
June 7...	1,618,876	650	553,035	1,647,299	31,284,882	3¾ a 4⅛ "
" 14...	617,361	18,976	352,391	1,990,327	31,162,048	4¼ a 6⅞ "
" 21...	986,143	222,546	612,461	3,156,988	31,047,945	6 a 6¼ "
" 28...	.....	2,070	393,212	3,094,101	30,832,626	7 a 9¾ "
July 5...	811,268	2,200	.....	2,647,060	31,790,519	9 a 10 "
" 12...	.....	1,588	641,451	2,424,916	32,098,174	9¾ a 17 "
" 19...	1,244,000	1,750	441,179	1,846,023	31,926,609	17 a 20 "
" 27...	.....	4,000	.....	784,537	33,064,575	16½ a 17 "
Aug. 2...	2,128,240	1,382	Golden Gate lost	748,523	34,022,490	14½ a 16 "
" 9...	.....	....	964,422	890,552	34,611,069	12½ a 13 "
" 16...	941,081	700	.....	700,431	35,301,778	14½ a 15 "
" 23...	1,176,434	1,040	1,089,111	919,825	35,538,486	15 a 15½ "
" 30...	757,629	9,280	.....	1,137,644	35,640,984	13 a 16⅛ "
Sept. 6...	1,100,693	5,120	807,563	551,097	36,138,928	16½ a 18¾ "
" 13...	953,340	69,859	.....	1,042,835	37,125,245	19 a 19¼ "
" 20...	937,776	11,150	934,415	490,895	37,863,037	17 a 17½ "
Total..	32,168,190	3,248,409	17,305,655	42,233,203	.....	

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The efflux of gold has subsided from the large exports of June and July, which were stimulated by the quantities of stocks sent hither for sale, and which could be realized at a comparatively lower rate in gold. Thus, in June government coupons that could be sold at 106, and remitted with exchange at 114 in August. The stock was only 98, and exchange had risen to 130, which was 6 per cent less for the stock, and 16 per cent more to remit. This being more or less the case for all stocks, the process of conversion became too costly, and attention was turned to breadstuffs as a means of remittance. The gold continued to flow out, however, since the balance was largely against the country, and as it diminished in volume here the price rose :

PRICES UNITED STATES PAPER.

		6's, 1861. Reg.	6's, 1861. Coup.	5's, 1874.	7 3-10, 3 years.	6 p. c. certif. 1 year.	Gold.	August demand notes.
March	1,.....	93½	92½	85½	99½	..	2½	..
"	13,.....	93	93	86	100	..	..	..
"	19,.....	94	94	88	100	..	1½	..
"	26,.....	94¼	94⅜	87¾	100	97	1¼	..
April	1,.....	93	93	87	99¾	96¾	2½	..
"	7,.....	93⅞	93⅞	87	100	97	1¾	..
"	30,.....	97⅞	98¼	89¾	102½	99¼	2⅝	par.
May	10,.....	103½	103	94	104	99⅞	2¾	¼
"	17,.....	105	105	96	105	100⅛	3	⅝
"	23,.....	104½	104½	96	105	100⅛	3½	⅝
"	31,.....	104½	104½	96	105	100	3¾	⅝
June	7,.....	103	106	96	106¼	100¼	4¼	1
"	14,.....	103⅞	107⅛	97¾	106¼	100½	6⅞	3
"	26,.....	102⅞	106¼	96½	105⅝	99⅞	9	4½
July	5,.....	100¼	100⅛	95	102	98½	10	5¼
"	12,.....	100	100½	88	103	99	17	7¼
"	19,.....	98	98	85	101½	97⅓	19	8
"	27,.....	99	99	86½	103	98½	17	6½
August	2,.....	98¼	98½	85½	102½	98½	15	5¼
"	9,.....	99	100	85½	103½	100	12½	5½
"	16,.....	100¾	100⅞	90	100	100	15	7½
"	23.....	101	101	90	104	99¾	15½	8
"	30.....	101½	101½	90	104¼	100	16½	8¼
Sept.	6.. ...	99¾	99¾	88½	103¼	99	18¾	8
"	13.....	99⅝	99⅝	88½	103	98¼	19¼	8¾
"	20.....	102	102	90	104½	99	17	12½
"	26.....	101½	101⅜	90¼	104½	99⅝	20⅜	16½

It will here be observed that the value of the 1-year certificates, on which the interest was paid every six months in gold, has been, notwithstanding the low price of money, 3 @ 4 per cent on call below par. The demand notes of the goverment, receivable for customs, have latterly risen more rapidly than gold. Because of the more active demand for duties at the close of July, they were 6½, and Sepember 20, 12½ per cent premium —the price of gold being the same.

It appears that since the suspension of the banks at the close of December, there has been received from California $17,305,600, and there has been exported $42,233,203, showing a loss of $24,900,000. In the same time there has been sent South for produce, estimated, $6,000,000, making a total of $31,000,000, Gold has, however, entirely gone out of circulation, and accumulates in the banks, as well on their own account as for the speculators who hold it in the banks on special deposit. It is known that many of the banks, like the Chemical Bank of New

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York, have never suspended their own specie payments. It does business, however, in government money. Those who deposit paper receive paper back; also, those who deposit gold get gold back—a double currency is thus established. When buyers of gold place it in deposit it is kept, as of yore, for their use.

It will be observed that as the banks hold, by the returns, $37,000,000 of specie, worth 20 @ 21 per cent, if it was all their own they would have profited to the extent of $7,000,000, simply by the depreciation of paper. It is remarkable that, notwithstanding the large amount of government paper out and coming out, the banks, so far from having their circulation restricted by it, have largely increased their issues. Those of the city of New York now have $9,700,000 outstanding, against $5,300,000 last March—an increase of $4,400,000. It results from the rise in gold, or, more properly, the depreciation of paper, if the banks own the gold now in their vaults they would have made their circulation clear, since that circulation is payable in government notes. Thus the banks have held on an average $35,000,000 since April, when it was nearly par in demand notes. That sum will now realize $42,000,000 in demand notes, giving a profit of $7,000,000, which will more than redeem all their own notes then outstanding. These new issues are doubtless small notes, demanded by the disappearance of gold and silver from circulation. The bank institutions are thus profiting largely by their paper issues. The deposits of paper with them they have converted into government stocks, and these stocks, on which the interest is payable in gold, they have deposited with the Bank Department for circulating notes, which are gladly taken by the public in small denominations. The payments of interest in gold by the government is now become a serious matter, since the value of gold ranges from 16 @ 20 per cent. The interest, amounting to $1,875,000, on the October issue of 7.30 bonds is due in gold on the 19th. If the government was required to go into the market and buy that gold at the present price—17½ per cent premium—it would pay $327,925, which raises the annual interest to near 9 per cent. This immense profit is made by the banking institutions on the basis of the sinking value of paper as compared with gold and silver. The effect of the stoppage of the cotton exports operates to carry gold out of the country as a consequence of the absence of the bills which the cotton should furnish. But the same cause operates in another manner to cause a direct demand for gold to replace the silver which is drawn to India. In usual years the demand for silver for India is very large, the balance being in favor of that country. In the first seven months of the present year the movement of silver and gold in France and England has been as follows:

	France.		England.	
	Gold.	Silver.	Gold.	Silver.
Import	$60,416,200	$16,239,101	$56,027,450	$33,308,220
Export	31,260,101	17,428,107	39,002,120	33,029,305
Excess exports.	.....	$1,189,006	$17,025,330	$278,915
" imports	$29,156,099	.....	.....	.....

The exports of gold from England are to France and the North of Europe, silver returning in exchange, to mix with that coming from Mexico and South America, in export to the East Indies. The demand for silver

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for the East Indies increasing with the demand in England for East India products. The state of the cotton market has been such as to draw largely upon East India for raw cotton, and to diminish the quantity of cotton goods sent thither, as follows:

	Cotton from India.		Goods to India.
	Cwts.	Value.	
1861.....	692,770	£1,683,190	£7,873,781
1862.....	1,001,427	3,914,012	6,029,111
Increase.....	.....	£2,231,022	.....
Decrease.....	.....	.....	£1,844,670

Thus there has been $11,000,000 more bought of India and $9,000,000 less sold to her of cotton in six months. The result was an export of $28,009,000 in silver in seven months ending July 31, 1862, or $3,000,000 more than in the same time last year. Silver in London rose, consequently, from 60*d.* per ounce to 62*d.*, for Mexican dollars, or rather more than 3 per cent. As a consequence, gold was more in demand for the Continent, to exchange for the silver desired for the India market. England was required to pay India double the money for the same quantity of cotton. During the six months ending August 1st, England imported from the United States 4,194,900 lbs. of cotton, at an average of 25 cts. per pound. In the same period of the previous year she imported from the United States 660,873,937 lbs., at an average of 15 cts. To draw her supplies from India at double the usual price will, it will be perceived, involve a drain of specie to India which will carry thither all that is accessible. In other words, all the specie held by the Northern States will be in demand to supply England with India cotton. The influence of that demand upon the finances of the government will be very considerable, since its credit must be affected by the visible rise in gold which an active and effective demand for it will not fail to create, and which makes more onerous at every recurring dividend-day the obligation to pay interest in gold. The present course of the import trade indicates that the government paper will suffice to meet the duties for a year to come. After it is exhausted the customs will be received in gold in sums sufficient to pay the interest on the debt. This will relieve the government from the expense of buying gold, but it will throw it upon the importers. In other words, it will by so much enhance the duties to be paid by the consumer, and will operate as a higher rate of interest; but the mode of doing it is far more injurious than would have been a direct tax. The department, to meet this gold difficulty, agreed to receive gold on deposit at the Treasury department at 4 per cent interest payable in gold. Thus putting off the necessity of buying gold until the exhaustion of outstanding Treasury notes shall give the government gold for duties. The cotton and other production of the South have hitherto been a large proportion of the national wealth and government support. The course of events has now made those productions for the future improbable, since the proclamation of the President, in accordance with the law of Congress, changes the whole condition of Southern labor and undermines the productions at least for a time. This procedure throws the whole weight of the government debt and expenses upon Northern industry, and greatly complicates the financial position.

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COMMERCIAL REGULATIONS.

1. The Tax on Manufactured Goods. 2. Legal Tender Notes in Chicago without the Treasury Department Stamp. 3. The Duty on Chain Cables and other articles. 4. Foreign Bondholders and the Tax Bill. 5. Palmyra Island. 6. Regulations for Trade on the Mississippi River. 7. Chicago Currency. 8. Commissions to purchasers of Stamps. 9. Debenture Certificates.

THE TAX ON MANUFACTURED GOODS.

The following correspondence is of great interest and importance to manufacturers:

Treasury Department, Office of Internal Revenue,
Washington, D. C., Aug. 8, 1862.

To the Hon. S. P. Chase, *Secretary of the Treasury:*

Sir: I am in daily receipt of letters containing inquiries relative to the construction of the seventy-fifth section of the act entitled "An act to provide internal revenue to support the Government, and to pay interest on the public debt." The magnitude of the interest involved in these inquiries is such that I desire the opinion of the Solicitor of the Treasury, or other appropriate legal adviser of the Department. The questions on which I ask advice are:

First, Will a manufacturer, who, previous to Sept. 1, shall have removed goods or wares, otherwise liable to taxation, from the place or premises where manufactured, to another place, or to other premises in the same city or town, be thereby exempted from assessment on goods so removed?

Second, Will a manufacturer, who, previous to Sept. 1, shall have removed goods or wares, otherwise liable to taxation, from the town or city where the manufactory is situated to another town or city, be thereby exempted from taxation on goods so removed? These questions assume that the manufacturer is the owner of the goods on the 1st of September. Should the opinion be that the manufacturer in the cases stated is exempt from taxation, I then desire to know whether a manufacturer of the articles mentioned in schedule C will, under the same circumstances, be likewise exempt from taxation. Your obedient servant,

George S. Boutwell,
Commissioner of Internal Revenue.

The Solicitor of the Treasury, to whom this letter was referred, returned the following answer:

Treasury Department, Solicitor's Office, Sept. 6, 1862.

Sir: I have the honor herewith to return the letter of the Commissioner of Internal Revenue, dated Aug. 8, 1862, asking the opinion of the Solicitor of the Treasury upon certain questions which are stated by the Commissioner. By an inspection of the first paragraph of the section referred to, it will be perceived that there are several classes of merchandise which are made subject to duties: First, such as are produced and sold after the

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1st day of September, 1862. Second, such as are manufactured or made and sold after that date. Third, such as are removed for consumption; and Fourth, such as are removed for delivery to others than agents of the manufacturer or producer within the United States or Territories thereof, after the same date.

It will also be perceived that, giving to the language employed in the description of the last two classes its widest signification, those classes would embrace goods removed for consumption in the one case, or for delivery in the other, whenever—"at whatever time"—they might have been manufactured, or "from whatever place the removal might be made." The object of the last proviso of the section was to limit the effect of the language thus employed. This limitation has been made by providing that the duty shall apply only, first, to such articles as are manufactured on or after the day specified, in which case it is immaterial from what place the removal occurs; and, second, to such as are manufactured and "not removed from the place of manufacture" prior to that date; thus, in the latter case, rendering the place of manufacture the only one a removal from which will subject the goods to duty.

The remaining points which it will be necessary to consider in order to supply answers to the first two inquiries of the Commissioner are, first, What is to be deemed the place of manufacture? and, second, What will amount to a removal from it? Upon the first point, I am of opinion that by the expression, "the place of manufacture," Congress intended to designate the premises where the manufacture is carried on, together with the store-rooms therewith connected, and not the town and city in which the manufacture is prosecuted. I do not conceive it to be essential that the place of storage be on the same lot, or even adjoining the lot on which the goods are actually produced; but it must be a place connected with the manufactory, and used, as to the goods in question, as a place of storage.

The other point, so far as it involves more than the mere fact of physical removal—if, indeed, it be anything more than a modification of the question just considered—is one, as it seems to me, of some difficulty. Ordinarily, the place of manufacture would be understood to be either the premises where the actual production occurs, or those commonly used for the storage of the goods produced. But suppose a manufacturer to send goods to a temporary place of deposit in the same town or city with his manufactory, but for storage only, and perhaps for the mere purpose of avoiding the duty imposed by the act; or suppose a manufacturer who, beside disposing of his wares at wholesale, has in the same town or city with his manufactory an establishment where he sells them at retail, to send some of his goods to such retail establishments for sale; would the removal in the one case or the other thus supposed be such a one as is contemplated in the proviso referred to?

I think that in the last case stated it would be so, and that in the former it would not.

But again, suppose a manufacturer never to make sale of his wares at his manufactory, but to have connected therewith in some distant town or city a place of storage and sale to which he has sent goods—or suppose a manufacturer to send to such distant place, merely for storage or to avoid the payment of duty, a portion of his goods—would the removal in either or both of these cases be such as, if occurring before the 1st of September, to exempt the goods from duty? As I have stated, I consider this a ques-

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tion not without difficulty, but I incline to the opinion that in both cases the removal must, under ordinary circumstances, be held to be complete.

I am of opinion that it would be too wide a latitude of construction to consider a storehouse in a distant town or city as, under ordinary circumstances, embraced within the description of "the place of manufacture." What I have written will indicate my views as clearly as I am prepared to state them upon the first two inquiries propounded.

As to the last inquiry, I have to say that, beside the seeming impropriety of adopting a construction which would impose a duty upon one class of goods, while another class, equally bound in natural justice to pay duty, should be exempted, I conceive that the proviso under consideration applies as well to articles enumerated in Schedule C, as to those mentioned in section 75; the proviso is general, and applies to all articles upon which a duty is imposed by the act. The burdens imposed upon the articles mentioned in Schedule C are not the less "duties" that they are imposed by way of requiring the articles to be "stamped." I am, therefore, of opinion that the same rule must apply to the articles enumerated in Schedule C as applies to those mentioned in section 75.

With high respect,

EDWARD JORDAN, *Solicitor.*

LEGAL TENDER NOTES IN CHICAGO WITHOUT THE TREASURY DEPARTMENT STAMP.

The Chicago *Tribune* of September 2d contains the extraordinary statement that there are legal tender notes in that city circulating without the government stamp affixed to them, as it professes to be on all genuine notes. The Secretary of the Treasury says "possibly they are genuine." The following is the statement by the *Tribune:*

There are quite a number of Treasury notes in circulation without the red stamp. There being some doubt as to the validity of these notes, a dispatch of inquiry was sent to Secretary CHASE, to which the following reply has been received:

Washington, Sept. 1.

A. MAYER, *Sherman House:*

No notes are valid without the seal. Possibly they are genuine, however; and if so, they will be redeemed as mutilated notes.

(Signed) S. P. CHASE.

THE DUTY ON CHAIN CABLES AND OTHER ARTICLES.

The Secretary of the Treasury, on appeal, has affirmed the decision of Collector BARNEY, imposing, under the act of March 2, 1861, duty at the rate of two cents per pound on merchandise claimed by the importers as chain cables, made of wire or rods less than one-half of one inch in diameter. To this it is interposed that, in commercial usage and parlance in this country and England, there are no chains known as chain cables made of wire or rods of less than one-half of one inch in diameter. It is also affirmed that Orange mineral was properly assessed at $2 25 per hundred pounds. It is not provided for by name in the law, but is used for the same general purposes as red lead; and that compositions of glass for jewelers' use, being a "manufacture of glass, or of which glass is a component material," is subject to a duty of 30 per cent ad valorem.

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FOREIGN BONDHOLDERS AND THE TAX BILL.

The following correspondence is of great interest to foreign holders of bonds of the United States:

New York, Aug. 28.

SIR: In behalf of many foreign holders of American securities we solicit the favor of replies to the following queries:

Under the United States Tax Bill, soon to go into effect, what tax will foreigners resident abroad have to pay from:

First, The interest on United States loans?

Second, The interest on state and city loans?

Third, The interest on railway bonds?

Fourth, The dividends on shares in railway, gas, and other corporations?

Fifth, In what manner and by whom will such taxes be collected?

We desire to make known to our correspondents abroad, as soon as possible, not our own but an authoritative interpretation of the law.

This you will please accept as our apology for thus trespassing upon your time.

We have the honor to be, sir,

Your obedient servants,

(Signed) BARCLAY & LIVINGSTON.

To Hon. S. P. CHASE, *Secretary of the Treasury, &c., Washington, D. C.*

Treasury Department, Office of Internal Revenue,
Washington, D. C., Sept. 3, 1862.

SIRS: I have the honor to acknowledge the receipt of your letter of the 28th of August.

In reply, permit me to say that whenever coupons are payable in a foreign country, no deduction can be made legally by virtue of our excise laws.

On dividends and coupons payable in this country, the deductions will be made in conformity to the excise law.

In neither case is the residence of the holder to be regarded.

Your obedient servant,

GEO. S. BOUTWELL,
Commissioner.

Messrs. BARCLAY & LIVINGSTON, New York.

PALMYRA ISLAND.—THE KING OF THE HAWAIIAN ISLANDS DISPUTING OUR RIGHT OF POSSESSION.

We take the following from the *Pacific Commercial Advertiser* of Honolulu:

"By the following notice, which was in the last issue of the Government gazette, it appears that Palmyra Island, located nearly a thousand miles distant from this group, has been taken possession of and formally annexed to this kingdom:

"PROCLAMATION.—Whereas, on the fifteenth day of April, 1862, Palmyra Island, in latitude 5° 50′ North, and longitude 161° 53′ West, was

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taken possession of, with the usual formalities, by Captain ZENAS BENT, he being duly authorized to do so, in the name of KAMEHAMEHA IV., King of the Hawaiian Islands. *Therefore*, This is to give notice, that the said island, so taken possession of, is henceforth to be considered and respected as part of the domain of the King of the Hawaiian Islands.

L. KAMEHAMEHA,
Minister of Interior.

Department of the Interior, June 18, 1862.

"The above may all be perfectly legal and strictly in accordance with the law of nations, but our authorities, before they proceed any further, and appoint a governor, with tax collectors, judges, or other officers for their newly-acquired territory, should investigate the title to the claim which is now set up. It appears that formal possession was taken of Palmyra Island, in October, 1859, for the United States Government, by Dr. G. P. JUDD, the agent of the American Guano Company, who visited the island in the brig Josephine. A notice to that effect and the American flag were left on the island. The following is a copy of the notice left there:

"Be it known to all People, that, on the 19th day of October, A.D. 1859, the undersigned, agent of the American Guano Company, landed from the brig Josephine, and having discovered a deposit of guano thereon, doth, on this 20th day of October aforesaid, take formal possession of this island, called "Palmyra," on behalf of the United States, and claim the same for said Company.

(Signed) G. P. JUDD.
Agent A. G. Co.

Witnesses:

C. H. JUDD,
R. DRYSDALE, M. D.
W. C. STONE.

"York Island was also taken possession of in the same way, and by the same parties. We believe the "United States Guano Company" also claim the same islands, and that a proclamation was issued to that effect from the State Department at Washington, in favor of one of these claimants. It may be argued that right of possession can only hold good so long as the territory claimed is occupied on behalf of the nation claiming it. This is an open question, how far that argument can uphold or destroy the claim. The Hawaiian Government several years ago took possession of several islands to the northwest of this group, and since the proclamation was made there has been no pretension to occupancy, and the islands may remain untenanted for the next fifty years. Now, cannot the American, British, or French Government lay claim to and occupy them, should either government wish to make a naval depot there? It appears to us that they would have the same right to occupy Bird Island that we have to occupy Palmyra. Capt. BENT, in his letter to the Minister of the Interior, makes the following report concerning this island, and no doubt for some purposes it may be worth claiming possession; but if we are to set up a prior claim to the American Government, and are going to hold it *vi et armis*, under the motto that "might makes right," our Secretary of War had better call for a larger appropriation for his department, and order half a dozen "Monitors." Nothing like being prepared for any emergency.

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"By correct observation, I found the island to be in latitude 5° 50′ North, and in longitude 161° 53′ West. The island is about ten miles in length and six miles in breadth. The eastern end rises about twenty feet above the level of the sea. The landing is on the west end; and a vessel can lie in perfect safety in three fathoms of water. The trees on the island are cocoanut, puhala, and a species of the koa. All kinds of vegetables will grow on the island. I planted some beans, corn, and watermelons. I erected a dwelling house on the island, and also a curing house for *biche de mer*. I left on the island one white man and four Hawaiians, who are engaged in curing the *biche de mer*."

REGULATIONS FOR TRADE ON THE MISSISSIPPI RIVER.

[ORDER OF GENERAL W. T. SHERMAN.]

Headquarters Fifth Division,
Memphis, September 8.

Until trade shall be regularly opened with ports and places on the Mississippi River below Memphis, all commercial intercourse between this city and Helena, and with intermediate points, will be under joint military and civil jurisdiction, and be governed by the following regulations—the object being, while guarding against the conveyance of supplies of whatever description to individuals or bands in armed or other hostility to the government of the United States, not to deny their usual family and plantation supplies to persons who have refused or declined to engage in or otherwise promote the existing rebellion:

1. All permits shall be issued by the Board of Trade in Memphis, and no merchandise which is not so permitted shall be received on board of any steamboat or other vessel or vehicle engaged in the business of common carriers, except army supplies moving under military authority.

2. Merchandise needed for family and plantation supply (not including arms or ammunition) will be permitted by the Board of Trade to persons residing on either side of the Mississippi River between Memphis and Helena, or at Helena or in its neighborhood, who have not taken any active part in the rebellion themselves, or directly or indirectly, by connivance or assent, aided or encouraged those who have. Such supplies, however, must go forward from time to time in limited quantities, and before the delivery of the first the recipient will be required to appear in person at either Memphis or Helena, and make affidavit before a proper officer that no part of the supplies so delivered shall be sold or otherwise disposed of to other parties, or used in any manner or for any purpose whatever except for the consumption of his or her family and plantation laborers.

3. For the purpose of guarding against the abuse of this privilege, and detecting attempts to evade or violate its terms, a list of persons of the character above described, residing or having their plantations within the district of country named, and who have remained at their usual places of residence attending to their legitimate business, will be prepared at as early a period as practicable for the use of the Board of Trade. This list will at all times be subject to revision, that proper names, which at first may be omitted, may be added to it, and improper ones, enrolled through misrepresentation, be erased.

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4. For the present and till otherwise provided, all this special transportation will be committed to a single steamboat, to be settled by the Board of Trade, the master of which shall execute bond with reasonable security that he will not deliver any package of merchandise, or any part thereof, at any place other than that for which it shall have been duly permitted. And such boat shall carry and reasonably remunerate a revenue aid, to be appointed subject to the approval of the Secretary of the Treasury, whose scope of duties shall be the same as those of similar officers on boats engaged in the St. Louis and Memphis trade.

5. The bar of this boat, and of all other boats running upon the waters within the district prescribed, shall carry among its stores no intoxicating liquors for sale or barter along the coast, and shall be immediately closed upon arriving at any port or place where the drinking saloons have been closed by either civil or military authority.

6. All lots of cotton, horses, mules, or wagons, shipped north from the lower Mississippi, must be accompanied by the bills of sale, witnessed by at least two witnesses, and duly receipted at the time of delivery to the purchasers.

7. These regulations are at all times subject to change or revocation by the authority that establishes them.

W. T. SHERMAN,
Major-General Commanding 5th Division.

W. D. GALLAGHER, *Special Agent Treasury Department.*

CHICAGO CURRENCY.

There was a report telegraphed from Springfield some days since that large amounts of Illinois currency had been applied for at the auditor's office. The following letter from the auditor to a banker of this city sets the matter right:

Auditor's Office Illinois, Springfield, August 30

DEAR SIR: I am in receipt of your favor of the 29th inst., in which you refer me to certain reports that applications are filed with the auditor for a large amount of Illinois currency. In reply, I would say that all such reports are without foundation. The total amount of currency applied for at this office is less than $100,000, of which not one half has been issued.

Yours, respectfully,
JAMES K. DUBOIS, *Auditor.*

COMMISSIONS TO PURCHASERS OF STAMPS.

The Commissioner of Internal Revenue has established the following regulation concerning the commissions allowed to purchasers of stamps. The commissions will be paid in stamps, that is, a remittance of $50 will entitle the purchaser to stamps amounting to $51. A remittance of $1,000 will entitle the purchaser to $1,050 worth of stamps.

DEBENTURE CERTIFICATES.

Collectors of customs at the several ports are instructed to receive in payments of duties all debenture certificates issued by them, the same being made receivable for duties by the act of March 3d, 1849.

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STATISTICS OF TRADE AND COMMERCE.

1. Commerce of the United States. 2. Production of Breadstuffs. 3. Export of Breadstuffs from the United States, 1862. 4. The New Mexico Wool Trade.

COMMERCE OF THE UNITED STATES.

The following detailed statement of the commerce of the United States for the years 1860 and 1861, (compiled from the official reports of the Treasury Department,) contains much interesting matter. In volume 42, page 352, of the *Merchants' Magazine*, will be found the returns for the years 1858 and 1859. The aggregate decrease in exports the past year appears, from these tables, to have been $145,223,105:

Of this, the decrease in cotton was.....	$157,755,072
" " tobacco.....	2,121,837
" " specie.....	33,146,981
Total.....	$193,023,890

Leaving out, then, the decrease in these items of cotton and tobacco, (Southern staples, the export of which has been necessarily cut off by the war,) and the decrease in the export of specie, and there will be found to be in all other articles a gain of $47,800,785. This favorable result, it will be seen, is due entirely to flour, wheat, and corn, which show a gain for the year of $47,925,319.

QUANTITY AND VALUE OF EXPORTS DURING THE FISCAL YEAR ENDING JUNE 30, 1861.

	1860.		1861.	
Products of the sea.	Quantity.	Value.	Quantity.	Value.
Oil—sperm..... galls.	1,335,736	$1,789,089	1,518,457	$2,110,823
whale & other fish.	939,872	537,547	1,009,468	581,264
Whalebone.....lbs.	1,068,895	896,293	979,231	736,552
Spermaceti & sp. candles.	157,783	51,829	456,408	143,907
Fish, dried or sm'd..cwt.	219,628	690,088	219,324	634,941
pickled.....bbls.	33,815	191,634	48,352	244,028
pickled.....kgs.	2,433		2,662	
Total.....		$4,156,480		$4,451,515
Product of the forest.				
Staves and headings..M.	75,800	$2,365,516	73,408	$1,959,392
Shingles .....M.	41,601	169,546	30,078	108,610
Boards, planks, &c..M. ft.	170,922	2,777,919	132,332	2,092,949
Hewn timber.....tons	32,376	231,668	8,821	97,875
Other lumber.....	.....	705,119	....	441,979
Oak bark and other dye.	.....	164,260	....	189,476
Manufactures of wood....	.....	2,703,095	....	2,344,079
Tar and pitch.....bbls.	60,623	151,404	55,057	143,280
Rosin and turpentine....	770,652	1,818,238	536,207	1,060,257
Ashes, pots & pearls.cwt.	271,949	822,820	99,701	651,547
Ginseng.....lbs.	395,909	295,766	347,577	292,899
Skins and furs.....	.....	1,533,208	.....	878,466
Total.....		$13,738,559		$10,260,809

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	1860.		1861.	
Product of agriculture.				
Of animals—	Quantity.	Value.	Quantity.	Value.
Beef.....tcs.	78,674	$2,674,324	41,882	$1,675,773
" .....bbls.	76,283		65,468	
Tallow.....lbs.	15,269,535	1,598,176	29,718,364	2,942,370
Hides	.....	1,036,260	.....	673,818
Horned cattle .....No.	27,501	1,052,426	8,885	223,246
Butter.....lbs.	7,640,914	1,144,321	15,531,381	2,355,985
Cheese	15,515,799	1,565,630	32,361,428	3,321,631
Pork.....tcs.	1,616	3,132,313	1,682	2,609,818
" .....bbls.	202,319		153,964	
Hams and bacon ....lbs.	25,844,610	2,273,768	50,264,267	4,848,339
Lard....	40,289,519	4,545,831	47,908,911	4,729,297
Hogs.....No.	48,355	377,604	463	3,267
Horses	1,635	233,368	1,469	193,420
Mules	1,435	158,080	1,799	191,873
Sheep	....	33,613	....	28,417
Wool.....lbs.	1,055,928	389,512	847,301	237,846
Total.....		$20,215,226		$24,035,100
Vegetable food.				
Wheat.....bush.	4,155,153	$4,076,704	31,238,057	$38,313,624
Flour.....bbls.	2,611 596	15,448,507	4,323,726	24,645,849
Indian corn .....bush.	3,314,155	2,399,808	10,678,244	6,890,865
Corn meal .....bbls.	233,709	912,075	203,313	692,003
Rye meal.....	11,432	48,172	14,143	55,761
Rye, oats, &c	.....	1,058,304	.....	1,124,556
Biscuit..	119,236	478,740	110,690	429,708
" ..kegs and boxes	46,543		36,847	
Potatoes .....bush.	380,372	284,673	413,091	285,508
Onions	.....	109,861	.....	102,578
Apples .....bbls.	78,809	206,055	112,523	269,363
Rice ... .tcs.	84,163	2,567,399	39,162	1,382,178
" .....bbls.	77,837		50,038	
Total.....		$27,590,298		$74,191,993
Cotton, Sea Island...lbs.	15,598,698	$191,806,555	6,170,321	$34,051,483
" other.....	1,752,087,640		301,345,778	
Tobacco, unmanuf'd.hhds.	167,274	15,906,547	160,816	13,784,710
" .....cases	15,035		18,815	
" .....bales	17,817		19,450	
Flaxseed .....bush.	2,715	3,810	28,540	49,609
Cloverseed.....	116,574	596,919	200,417	1,063,141
Hemp.....tons	186	9,531	136	8,608
Brown sugar.....lbs.	1,133,986	103,244	3,275,024	301,329
Hops.....	273,257	32,866	8,835,837	2,006,053
Total		$256,264,996		$149,492,026
Manufactures.				
Wax .....lbs.	362,474	$131,803	270,425	$94,495
Refined sugar.....	3,332,045	301,674	3,236,110	287,881
Chocolate.	17,194	2,593	9,906	2,157
Spirits (from grain).galls.	748,135	311,595	2,994,181	867,954
" (from molasses)...	2,855,952	930,644	2,885,869	850,546
" (from other matrl's)	494,643	219,199	1,362,414	593,185
Molasses.....	70,439	35,292	91,593	39,138
Vinegar	340,257	41,368	315,994	38,262
Beer, ale, porter, & cider.	160,887	31,371	136,082	25,876
" .....doz. bottles	13,043	22,202	7,477	13,604

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	1860.		1861.	
	Quantity.	Value.	Quantity.	Value.
Linseed oil .....galls.	37,809	$26,799	42,638	$27,982
Spirits of turpentine....	4,072,023	1,916,289	2,941,855	1,192,787
Household furniture....	.....	1,079,114	.....	838,049
Carriages, cars, &c.....	.....	816,973	.....	472,080
Hats	.....	211,602	.....	156,956
Saddlery	.....	71,332	.....	61,469
Candles, adamantine.lbs.	4,875,552	708,699	4,569,259	683,048
Soap.....	6,852,485	494,405	7,202,130	455,648
Snuff.....	39,923	11,354	81,465	17,703
Tobacco manufactured..	17,697,309	3,372,074	17,783,363	2,742,828
Leather	2,946,633	674,309	2,714,466	555,202
Boots and shoes....pairs	678,136	782,525	655,808	779,876
Cables and cordage..cwt.	26,053	246,572	28,422	255,274
Gunpowder.....lbs.	3,276,411	467,772	2,319,641	347,103
Salt .....bush.	475,445	129,717	537,401	144,046
Lead.....lbs.	903,468	50,446	103,023	6,241
Iron, pig .....cwt.	7,097	19,143	14,056	25,826
" bar.....	5,901	38,257	6,941	15,411
" nails.....lbs.	5,007,694	188,754	5,354,536	270,084
" castings .....cwt.	55,726	282,848	26,400	76,750
" other manufact's of.	....	5,174,040	....	5,536,576
Copper, brass, &c.....	....	1,664,122	....	2,375,629
Medical drugs	....	1,115,455	....	1,149,433
Cottons, printed & colored	...	3,356,449	....	2,215,032
" white other than duck	....	1,403,506	....	1,076,959
" duck.....	....	382,089	....	300,668
" other manufact's	....	5,792,752	....	4,3[illegible]4,379
Hemp thread.....	....	430	....	80
Hemp bags, &c..	....	27,384	....	39,490
Wearing apparel.....	....	525,175	....	462,554
Earthenware, &c.....	....	65,086	....	40,524
Combs and buttons.....	....	23,345	....	32,792
Brushes and brooms	....	61,377	....	62,360
Billiard apparatus.....	....	15,979	....	8,910
Umbrellas and parasols..	....	4,862	....	1,271
Morocco, &c.....	....	19,011	....	7,507
Fire engines.....	....	9,948	....	7,940
Printing materials.....	....	157,124	....	106,562
Musical instruments	....	129,653	....	150,974
Books and maps	....	278,268	....	250,365
Stationery	....	285,798	...	347,915
Paints and varnish	....	223,809	....	240,923
Glassware	....	227,948	....	394,731
Tinware	....	39,064	....	30,229
Manuf's of pewter & lead	....	46,081	....	30,534
Marble and stone.	....	176,239	....	185,267
India rubber boots and shoes.....pairs	107,693	58,826	62,729	33,603
" other manufact's of	....	182,915	....	160,088
Gold and silver leaf.....	....	140,187	....	53,372
Jewelry, &c	....	24,659	....	48,740
Artificial flowers.....	....	207	...	1,459
Trunks and valises	....	50,184	....	40,622
Lard oil .....galls.	60,209	55,783	85,676	81,783
Oil cake	....	1,609,328	....	1,386,691
Bricks, lime, and cement.	....	154,045	....	93,292
Unenumerated manufac's	....	2,397,445	....	2,530,689
Total manufactures.		$39,544,398		$35,786,804

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	1860. Quantity.	1860. Value.	1861. Quantity.	1861. Value.
Coal.....tons	187,059	$740,783	153,171	$577,386
Ice	49,153	183,134	44,753	172,263
Quicksilver.....	....	258,682	....	631,450
Gold and silver bullion..	....	30,913,173	....	13,311,280
Gold and silver coin.....	....	26,033,678	....	10,488,590
Raw produce not specified	....	1,355,391	....	2,794,046
Total.....		$373,189,274		$227,966,169

RECAPITULATION—EXPORTS.

	1860.	1861.		1860.	1861.
Products of sea.	$4,156,480	$4,451,515	Ice.....	$183,134	$172,263
" of forest.	13,738,559	10,260,809	Quicksilver....	258,682	631,450
Of animals.....	20,215,226	24,035,100	Gold, silver, bullion	30,913,173	13,311,280
Vegetable food.	27,590,298	74,291,993	Gold coin	26,033,678	10,488,590
Cotton.....	191,806,555	34,051,483	Not specified ..	1,355,391	2,794,046
Tobacco	15,906,547	13,784,710			
Other articles..	746,370	3,428,740			
Manufactures...	39,544,398	35,786,804	Total.....	373,189,274	227,966,169
Coal.....	740,783	577,386			

The following tables give, in a compact form, the number and class of vessels built, and the tonnage thereof; also, the total exports and imports, for the year:

STATEMENT OF THE NUMBER AND CLASS OF VESSELS BUILT, ETC.

	Class of vessels. Ships and barks.	Brigs.	Schooners.	Sloops and canal boats.	Steamers.	Total.	Tonnage. Tons and 95ths.
Maine	50	22	84	1	4	161	57,343 79
New Hampshire.....	5	..	5	.	.	10	4,602 43
Vermont.....	.	..	1	.	.	1	49 18
Massachusetts.....	37	2	54	2	6	101	37,206 45
Rhode Island	.	1	2	.	1	4	539 11
Connecticut.....	2	1	13	11	3	30	4,985 79
New York.....	2	.	37	205	50	294	46,359 25
New Jersey.....	1	.	25	10	6	42	5,909 07
Pennsylvania	2	3	19	91	58	173	24,754 79
Delaware	.	.	7	1	6	14	2,932 21
Maryland.....	5	9	33	1	1	49	8,300 91
District of Columbia.....	.	.	.	23	.	23	1,423 22
Virginia.....	1	.	2	6	18	27	3,297 17
North Carolina.....	.	.	8	2	.	10	515 42
South Carolina	.	.	1	.	.	1	57 37
Florida.....	.	.	2	.	.	2	157 26
Alabama	.	.	1	1	3	5	651 86
Mississippi.....	.	.	5	.	2	7	1,086 06
Tennessee	.	.	.	.	1	1	52 40
Kentucky.....	.	.	.	.	33	33	9,717 29
Missouri.....	.	.	.	.	11	11	3,289 27
Illinois.....	.	.	2	.	2	4	1,537 20
Ohio.....	3	.	9	5	37	54	9,180 86
Wisconsin.....	2	.	1	.	.	3	1,269 03
Michigan.....	.	.	10	4	9	23	2,689 79
California	.	.	40	2	7	49	4,715 71
Minnesota	.	.	..	5	6	11	570 86
Total.....	110	38	360	371	264	1,143	233,194 35

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COMMERCE OF THE UNITED STATES—EXHIBITING THE VALUE OF EXPORTS TO AND IMPORTS FROM EACH FOREIGN COUNTRY, AND THE TONNAGE OF AMERICAN AND FOREIGN VESSELS ARRIVING FROM AND DEPARTING TO EACH FOREIGN COUNTRY DURING THE FISCAL YEAR ENDING JUNE 30, 1861.

COUNTRIES.	EXPORTS.			IMPORTS.	AMERICAN TONNAGE.		FOREIGN TONNAGE.	
	Domestic.	Foreign.	Total.		Entered U. S.	Cleared U. S.	Entered U. S.	Cleared U. S.
Russia on the Baltic and North Seas	$598,170	$70,931	$669,101	$1,287,952	8,220	5,699	772	.....
Asiatic Russia	156,408	16,339	172,747	5,712	.....	1,082	.....	946
Russian Possessions in North America	16,884	2,445	19,339	17,005	.....	1,616	3,165	2,266
Prussia	9,380	5,732	15,112	27,879	.....	360	400	690
Sweden and Norway	87,338	9,609	96,947	645,241	7,187	338	6,143	820
Swedish West Indies	50,116	181	50,297	13,280	1,544	861	140	.....
Denmark	10,478	.....	10,478	6,441	1,273	.....	130	130
Danish West Indies	901,853	43,695	945,548	259,864	10,411	21,427	3,105	3,516
Hamburg	3,410,830	1,125,373	4,536,203	7,271,473	3,159	1,986	62,979	57,233
Bremen	6,872,368	1,183,086	8,055,454	8,070,516	5,139	12,491	98,026	101,429
Other German ports	6,224	.....	6,224	.....	.....	.....	.....	714
Holland	3,254,141	465,232	3,719,373	2,811,384	23,639	33,432	14,388	19,998
Dutch West Indies	434,966	15,913	450,879	489,496	15,062	7,041	11,264	1,802
Dutch Guiana	372,947	13,571	386,518	298,966	6,235	7,171	868	518
Dutch East Indies	192,492	61,577	254,069	1,045,791	5,447	7,733	2,570	887
Belgium	1,921,889	832,122	2,754,011	2,371,528	18,000	25,071	6,495	4,991
England	102,799,688	3,600,745	106,400,433	136,032,009	822,685	840,035	479,068	488,798
Scotland	6,336,169	145,862	6,482,031	2,988,524	31,158	50,779	54,724	36,174
Ireland	7,448,098	205,361	7,653,459	190,834	1,136	53,733	54,228	139,731
Gibraltar	558,557	23,778	582,335	58,346	221	10,986	1,291	1,218
Malta	176,637	6,007	182,644	70,576	1,258	1,749	.....	956
Canada	11,749,981	2,611,877	14,361,858	18,645,457	1,996,892	2,025,670	684,879	731,123
Other British North American Possessions	7,133,734	1,250,021	8,383,755	4,417,476	196,709	297,172	465,141	509,928
British West Indies	5,330,914	168,122	5,499,036	1,862,579	89,162	95,983	48,726	39,529
British Honduras	237,776	19,601	257,377	245,297	3,165	2,990	684	1,339
British Guiana	1,031,645	6,973	1,038,618	159,259	4,522	12,232	5,109	5,747
Other British Possessions in South America	.....	.....	.....	1,303	.....	.....	.....	.....
British Possessions in Africa	488,647	3,040	491,687	1,436,174	10,965	9,126	1,137	1,364
British Australia	3,410,560	20,476	3,431,036	129,334	4,078	27,423	6,905	10,462
British East Indies	604,511	25,390	629,901	8,745,768	68,259	16,468	10,322	791
France on the Atlantic	21,704,980	1,428,367	23,133,347	30,988,674	178,787	168,624	16,835	7,640
France on the Mediterranean	1,081,060	43,436	1,124,496	3,256,875	14,276	27,485	5,289	1,116
French North American Possessions	205,645	38,837	244,482	117,158	.....	1,487	2,565	4,670
French West Indies	455,427	64,285	519,712	8,859	1,157	15,518	1,459	2,562
French Guiana	124,508	4,002	128,510	21,842	1,809	2,764	.....	182

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French Possessions in Africa	20,938	40	20,978	.....	.....	1,051	.....	494
Spain on the Atlantic	445,771	5,257	451,028	494,886	9,662	19,783	2,186	1,201
Spain on the Mediterranean	1,386,364	3,633	1,389,997	2,764,475	21,537	6,771	11,396	13,667
Canary Islands	50,759	1,046	51,805	46,262	1,027	674	985	713
Philippine Islands	29,761	794	30,555	3,531,522	33,452	.....	1,070	288
Cuba	9,461,032	3,430,995	12,892,077	33,536,357	618,785	482,212	53,110	26,529
Porto Rico	1,286,789	94,275	1,381,064	3,395,433	52,209	29,850	9,131	1,772
Portugal	278,776	10,090	283,866	176,153	2,268	5,131	5,188	1,493
Madeira	42,164	3,943	46,107	33,145	159	1,188	976	476
Cape de Verd Islands	28,420	125	28,545	30,358	1,239	811	1,121	.....
Azores	59,200	6,971	66,171	40,385	3,800	3,579	504	2,820
Sardinia	1,323,390	182,676	1,506,066	241,760	7,777	12,679	3,103	2,241
Tuscany	172,629	51,799	224,428	1,473,133	17,734	2,444	3,337	.....
Papal States	.....	26,000	26,000	.....	.....	.....	.....	.....
Two Sicilies	260,204	71,773	331,977	1,903,710	45,745	6,825	14,172	2,474
Austria	68,780	55,013	123,793	488,677	3,274	3,347	1,253	.....
Austrian Possessions in Italy	184,743	.....	184,734	.....	.....	1,987	.....	.....
Ionian Republic	.....	.....	.....	14,284	.....	.....	228	.....
Greece	.....	.....	.....	55,729	.....	.....	902	.....
Turkey in Europe	273,501	9,868	283,369	23,325	721	3,555	250	320
Turkey in Asia	310,668	10,203	330,871	776,475	9,560	4,275	338	.....
Egypt	60,420	.....	60,420	26,329	.....	1,505	440	.....
Other ports in Africa	1,624,827	51,892	1,676,719	1,717,417	19,126	21,934	2,256	.....
Hayti	2,246,124	181,502	2,427,626	1,716,173	36,653	34,000	2,987	4,056
San Domingo	172,540	6,492	179,032	210,520	4,074	4,323	2,473	2,469
Mexico	1,564,062	651,828	2,215,890	3,689,213	27,241	31,716	5,509	7,170
Central Republic	74,278	13,183	87,461	310,769	3,063	1,861	414	356
New Granada	1,471,633	115,359	1,586,992	4,455,234	132,688	153,339	1,143	2,091
Venezuela	1,164,145	56,641	1,220,786	2,999,949	16,621	13,414	1,298	728
Brazil	4,787,702	235,515	5,023,217	18,100,456	83,829	71,871	22,173	2,312
Uruguay, or Cisplatine Republic	674,864	92,059	766,923	531,244	6,319	20,287	.....	278
Buenos Ayres, or Argentine Republic	990,788	175,837	1,166,625	3,200,836	22,667	28,595	1,058	654
Chili	2,304,355	322,297	2,626,652	3,186,052	29,268	23,506	6,331	2,718
Peru	370,435	24,505	394,940	306,428	153,656	18,244	5,197	3,041
Equador	9,116	.....	9,116	2,687	348	.....	.....	.....
Sandwich Islands	378,053	97,001	475,054	361,977	10,106	9,100	209	365
Other Islands in the Pacific	106,262	10,617	116,879	87,413	9,925	8,366	1,625	544
Japan	14,876	25,677	40,553	102,566	2,425	675	.....	.....
China	5,809,724	1,107,703	6,917,427	11,351,719	70,295	46,614	5,655	1,511
Other ports in Asia	.....	.....	.....	48,629	.....	.....	.....	.....
Whale Fisheries	21,331	822	22,153	282,250	34,752	27,135	.....	.....
Uncertain places	.....	.....	.....	32,401	957	134	.....	.....
Total, 1861	228,699,486	20,645,427	249,344,913	335,650,153	5,023,917	4,889,313	2,217,554	2,262,042
" 1860	373,189,274	26,933,022	400,112,296	362,166,254	5,921,285	6,165,924	2,353,911	2,624,026

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PRODUCTION OF BREADSTUFFS.

In connection with the annual statement of the export of breadstuffs, which will be found on page 355, the following from the census report will be of considerable interest:

WHEAT, RYE, AND CORN PRODUCED IN THE UNITED STATES IN 1860.

States.	Wheat.	Rye.	Corn.
California.....bushels	3,946,600	51,000	524,800
Connecticut.....	52,400	618,700	2,059,800
Delaware.....	913,000	27,200	3,892,400
Illinois.....	24,159,500	981,300	115,296,800
Indiana.....	15,209,100	400,200	69,641,600
Iowa.....	8,433,200	176,000	41,117,000
Kansas.....	168,500	3,900	5,678,800
Kentucky.....	7,394,800	1,055,300	64,043,600
Maine.....	233,900	128,300	1,546,000
Maryland.....	6,103,500	509,000	13,445,000
Massachusetts.....	119,800	388,000	2,157,000
Michigan.....	8,313,200	494,200	12,152,100
Minnesota.....	2,195,800	124,300	2,987,600
Missouri.....	4,227,600	293,300	72,892,200
New Hampshire.....	269,000	128,300	1,414,700
New Jersey.....	1,763,100	1,390,500	9,723,300
New York.....	8,681,100	4,787,000	20,061,000
Ohio.....	14,532,600	656,100	70,637,100
Oregon.....	822,400	2,700	74,600
Pennsylvania.....	13,045,200	5,474,800	28,196,800
Rhode Island.....	1,100	28,300	459,000
Vermont.....	431,100	131,000	7,463,000
Wisconsin.....	15,812,600	888,500	7,565,300
Territories.....	1,007,400	11,200	2,757,200
Total.....	139,816,500	18,803,100	549,786,700

Seceding States.	Wheat.	Rye.	Corn.
Alabama.....	1,222,500	74,000	32,761,200
Arkansas.....	955,300	77,900	17,058,700
Florida.....	2,800	21,300	2,824,500
Georgia.....	2,545,000	115,600	30,776,300
Louisiana.....	29,300	12,800	16,105,900
Mississippi.....	579,500	41,300	29,563,700
North Carolina.....	4,743,700	436,800	30,078,600
South Carolina.....	1,285,600	89,100	15,065,600
Virginia.....	13,129,100	944,000	38,360,700
Tennessee.....	5,409,900	265,300	50,748,300
Texas.....	1,464,300	95,000	16,521,600
Seceding States.....	31,367,000	2,173,100	280,665,100
Other States.....	139,816,500	18,803,100	549,786,700
Total, 1860.....	171,183,500	20,976,200	830,451,800
Total, 1850.....	100,486,000	14,188,800	592,071,000

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The relative values of these three products in the loyal and in the seceding States may be represented as follows:

	Wheat at $1 25.	Rye at 75 cents.	Corn at 50 cents.
Loyal States.....	$174,770,000	$14,103,000	$274,893,000
Seceding States.....	39,209,000	1,630,000	140,332,000
Total, 1860.....	$213,979,000	$15,733,000	$415,225,000
Total, 1850.....	125,607,000	10,641,600	296,035,000

From this official return it would appear that New York, which was in 1830–40 one of the leading wheat producing states, has now become the seventh, and is about on a parallel with Michigan in the article of wheat.

The relative position of this State as a wheat producer, since 1840, is shown in the annexed summary of all the States producing over five million bushels each:

WHEAT PRODUCING STATES, 1840–1860.

	1840.	1850.	1860.
Illinois.....bushels	3,335,400	9,414,600	24,159,500
Indiana.....	4,049,400	6,214,400	15,219,100
Wisconsin.....	212,100	4,286,100	15,812,600
Ohio.....	16,571,600	14,487,300	14,532,600
Virginia.....	10,109,700	11,212,600	13,129,100
Pennsylvania.....	13,213,000	15,367,700	13,045,200
New York.....	12,286,400	13,120,500	8,681,100
Michigan.....	2,157,100	4,925,800	8,313,200
Iowa.....	151,700	1,530,500	8,433,200
Kentucky.....	4,803,100	2,142,800	7,294,800
Maryland.....	3,345,700	4,494,600	6,103,500
California.....	.....	17,200	5,946,600
Tennessee.....	4,569,700	1,619,400	5,409,900
Thirteen States.....	74,804,900	88,834,500	146,180,400
All others.....	13,708,300	11,651,300	25,003,100
Bushels of wheat.....	88,513,200	100,485,800	171,183,500

EXPORT OF BREADSTUFFS FROM THE UNITED STATES, 1862.

We give below the annual summary of the exports of breadstuffs from the United States, prepared by Mr. EDWARD BILL. The statement for the year 1861 will be found on page 484, vol. 45, of the *Merchants' Magazine:*

EXPORT OF BREADSTUFFS TO GREAT BRITAIN AND IRELAND,

From September 1, 1861, *to September* 1, 1862.

From	Flour, barrels.	Corn meal, barrels.	Wheat, bushels.	Corn, bushels.
New York....	1,883,134	718	21,268,961	12,635,762
Philadelphia...	361,619	406	2,386,599	735,566
Baltimore....	75,732	....	468,772	656,724
Boston.....	285,705	....	38,850	49,516
Other ports...	66,325	....	1,591,527	6,600

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EXPORT OF BREADSTUFFS TO GREAT BRITAIN AND IRELAND FROM 1846 TO 1861 INCLUSIVE.

	Flour, barrels.	Wheat, bushels.	Corn, bushels.	Rye, bushels.
1861.....	2,672,215	1,124	25,754,709	14,084,168
1860.....	2,561,661	4,416	25,553,370	11,705,034
1859.....	717,156	944	4,938,714	2,221,857
1858.....	106,457	58	439,010	342,013
1857.....	1,295,430	143	6,555,643	3,317,802
1856.....	849,600	685	7,479,401	4,746,278
1855.....	1,641,265	6,816	7,956,406	6,731,161
1854.....	175,209	4,768	324,427	6,679,138
1853.....	1,846,920	41,726	6,038,003	6,049,371
1852.....	1,600,449	100	4,823,519	1,425,278
1851.....	1,427,442	1,680	2,728,442	1,487,398
1850.....	1,559,584	5,620	1,496,354	2,205,601
1849.....	574,757	6,411	461,276	4,753,358
1848.....	1,137,556	82,900	1,140,194	12,685,260
1847.....	182,583	108,534	241,300	4,390,226
1846.....	3,155,845	844,188	4,000,359	17,157,659
Total, 16 years	21,504,429	1,110,112	99,931,137	99,981,602

TO THE CONTINENT, FROM NEW YORK AND OTHER PORTS.

	Flour, barrels.	Wheat, bushels.	Corn, bushels.	Rye, bushels.
1861.....	626,672	7,617,472	322,074	1,612,926
1860.....	142,129	3,452,496	101,145	347,258
1859.....	49,243	178,031	19,358	.....
1858.....	51,388	57,845	25,519	.....
1857.....	303,100	390,428	16,848	13,100
1856.....	483,344	2,875,653	543,590	216,162
1855.....	748,408	2,610,079	282,083	1,975,178
1854.....	7,763	4,972	308,428	35,569
Total, 8 years.	2,412,047	17,186,976	1,619,045	4,200,193

FROM CANADA TO GREAT BRITAIN AND IRELAND, VIA ST. LAWRENCE.

	1861–1862.		1861–1862.
Flour.....bbls.	617,308	Oats.....bush.	780,756
Peas.....bush.	822,060	Corn.....	2,016,040
Wheat.....	6,376,905	Oat meal.....bbls.	7,242

THE NEW MEXICO WOOL TRADE.

We take the following from the Kansas City *Daily Press* of August 29. In days when wool, in our Eastern markets, appears to command whatever price the seller sees fit to ask, such facts as these become doubly interesting. On page 28, vol. 46, of the *Merchants' Magazine*, in the article entitled "Commerce of the Prairies," will be found some interesting statements respecting this trade:

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"The extent of the trade in wool between this city and New Mexico is much greater than is supposed even by our own citizens. We have been so accustomed to look upon the New Mexican as a mere shipping and transfer business, that we hardly can realize the fact that the actual buying and selling, the supplying of the Santa Fé merchants with merchandise and manufactured articles of all kinds, is a branch of business, whose importance and value is not exceeded by all the balance of the trade of the city this year.

"It was formerly the case that the Mexican trains came in empty, the merchants bringing nothing but gold to exchange for goods. Every train comes in loaded with wool, hides, sheepskins, &c., &c., which are taken by our merchants either on consignment, or are purchased by our dealers for the eastern markets.

"The most important article brought in from Santa Fé is wool, and the quantity is increasing every year. We have taken considerable trouble to find out the exact amount received this year, and after personal conference with the four firms of C. E. Kearney, D. V. Whiting, W. H. Chick & Co., and J. S. Chick & Co., we have arrived at the following facts:

Received up to the present date.....lbs.	687,960
Amount to arrive as per bills of lading already received....	265,000
Total number of pounds.....	952,960

"In 1857, which was considered the most prosperous year Kansas City had ever experienced, the amount of wool received up to December 31st, was 865,000 pounds, which was considered an immense amount. It must be remembered, however, that at that time the wool trade was but just commenced, and although everything was favorable a comparatively small amount was received.

"We are confident from all advices, that could our merchants have concientiously advised the shipping of the full amount of wool intended for this market this year, the quantity would have exceeded three millions of pounds.

"This wool is derived from the immense droves of sheep which dot the great plains of New Mexico, and is worth in this city from fifteen to twenty-five cents per pound, according to quality. It is forwarded to the Eastern markets and sold at an advance of twenty-five to fifty per cent.

"This business is rapidly increasing, and should perfect peace be preserved on this border and on the road to New Mexico, our next years' receipts will be at least double those of the present."

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THE COTTON QUESTION.

1. The Cotton Crop of 1859-60. 2. Cotton from Trinidad. 3. A Substitute for Cotton. 4. Royal Commission on Cotton. 5. Africa as a Cotton Field. 6. Cotton Cultivation in India.

THE COTTON CROP OF 1859-60.

We have received the following communication which sufficiently explains itself:

Mr. Editor: The discrepancy between the official return of the cotton crop, as given in the preliminary report of the 8th census, just issued, and the commercial statistics, is only apparent and is easily reconciled.

In 1850 the assistant marshals were instructed to ascertain the number of bales produced of 400 pounds each, and for the purpose of comparison the same standard was used in 1860, notwithstanding the fact that there was a gradual increase in the size of the bale. The average weight for the last seven years has increased from 437 pounds to 458 pounds—450 may therefore be considered a fair standard.

The product of 1860, 5,198,077 bales of 400 lbs. each, is 2,079,230,800 lbs.
Is equal to..... 4,620,513 " 450 "

The *Shipping Gazette* gives the crop of that year as 4,675,770 bales, or 55,257 more than the official returns; an excess of less than one-fourth per centum.

The accuracy of the commercial statement is verified by the following figures:

	Pounds.	Bales.
Consumed in cotton mills.....	464,035,125	
" in woolen "	16,008,625	
" in household manufactures and in the arts.....	32,796,502	
	412,841,250	863,425
Exported.....		3,812,345
Crop of 1859-60.....		4,675,770

Washington, D. C. Yours, &c.

COTTON FROM TRINIDAD.

The British Monarch has arrived at Bristol, with a small quantity of cotton grown in Trinidad. The importation is the result of a speculative trial, the report on which is that cotton may be cultivated profitably and successfully in Trinidad. The parcel is stated to be the cleanest that has yet been received from the West Indies.

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A SUBSTITUTE FOR COTTON.

On the 28th of August a communication was published in the London *Times* from the legal firm of PHILLIPS & SON, of Abchurch Lane, London, stating on behalf of a client, that a material had been discovered as a substitute for American cotton, which possesses not only all the qualities of that staple, but is capable of being produced in any quantity and at a small expense. Of course such an announcement was received with distrust, and most persons of full experience must continue to view the matter with the same feeling, until they have seen the article in question submitted to an actual working test. But in the *Times* of September 8th, we find the following on the same subject, which leads us to feel that possibly this discovery will not share the fate of the multitude of others that in times of emergency are suddenly broached, but which, when they come to an actual working test, are found to break down in some essential point, either of quality, quantity, or price. The *Times* says "that the proper and prudent steps taken by the parties concerned, have already elicited the subjoined expression of opinion from a disinterested and competent source, which will at all events tend greatly to stimulate the interest awakened and also the hope of some favorable result:

SIR: Having been in the cotton trade all my life, though now retired and only a looker on, but still taking great interest in all that concerns it, I read Messrs. PHILLIPS & SON's letter in your money article of this day week, and your remarks.

I wrote to Messrs. PHILLIPS the same evening, and have since had two interviews with them and their client, in Liverpool.

I have seen the material proposed as a substitute for cotton in several small specimens, and can speak to its color, length, and fineness being all that can be desired.

The other quality necessary, viz.: strength, I can only speak of by what was stated, that it is as strong, or stronger than cotton, that it can be supplied in large quantity, and at a price as low or lower than the average price of cotton, which I told them was about 6d. per pound.

I have stated simply what I have seen and heard.

And further, both Mr. PHILLIPS and his friend are so straightforward, and even modest in what they say and propose, as to a still more thorough investigation of the subject, the profound gravity of which is apparent to every one, that I write this in the hope to promote that object. I am, most respectfully,

JAMES HARDY WRIGLEY,
Late of the firm of JOHN WRIGLEY & SONS, Liverpool.

September 3d.

"A further communication on the subject has been received from Messrs. PHILLIPS & SON, in which they state the readiness of their client on certain moderate terms to make his invention public, so as to save the trade of the country from the time that would be lost in the preliminaries of a patent:

SIR: We shall be glad if you will allow us to state that the insertion of our letter respecting the supply of cotton, in the *Times* of the 28th

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of August, has been responded to by many gentlemen and eminent firms, and otherwise attended with very gratifying results.

The material produced by our client has been submitted by him to the inspection of Mr. JAMES HARDY WRIGLEY, of Southport, as one of those who responded and a competent authority on the subject, and, so far, the expectations entertained of the article are completely confirmed.

To finally establish, however, its practical value, and render it available in the promptest manner, our client has addressed to Mr. WRIGLEY a communication, of which we send you the accompanying copy, in which he engages to make his secret public property and states the conditions on which he is prepared to do so.

Our client's views and desires are sufficiently disinterested to make pecuniary reward a consideration of secondary importance under the circumstances, and hence we make no doubt the co-operation required will soon be secured, and shall be glad to receive communications from those willing to afford it in the way proposed.

Your very obedient servants,

PHILLIPS & SON.

ABCHURCH LANE, *September* 5th.

September, 1862.

SIR: Since your first letter was to hand I have received some very advantageous offers of assistance from various parties, but it has occurred to me that a considerable period must elapse before the completion of my patent, and, consequently, before I should be able openly to manufacture the raw material, the season would be rapidly passing away; neither should I be able to produce a sufficient quantity for present purposes; nor could the granting of licenses take effect for some time.

All this would be obviated if every manufacturer were able to procure the article without delay, and, as the present is no ordinary emergency and requires no common sacrifice, I beg to state that I am willing to make my invention public property upon certain conditions which are herewith sent.

If the conditions are not deemed satisfactory, I am prepared to consider any modification of them.

You are at liberty to make this letter public, together with the conditions, if you deem such a course desirable.

Being actively engaged in the city, I do not wish my name to be published at the present time, as I should be inundated with letters and inquiries. All communications may be addressed to Messrs. PHILLIPS & SON.

Your most obedient servant,

THE INVENTOR.

J. H. WRIGLEY, Esq., Southport.

CONDITIONS.

1. That a committee of not less than ten responsible gentlemen be formed, who will guaranty to raise a sum of £——, and who will undertake to use all reasonable means to procure a further sum by subscription or otherwise to the inventor. The amount to be specially agreed upon.

2. That on such committee being formed, and consenting to act, the

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inventor will submit the cotton produced to such person or persons as may be agreed upon, for the purpose of being tested and analyzed.

3. That the inventor shall be present at all experiments made.

4. That the success shall be determined on the report of the person or persons deputed to test and analyze that the product will answer all the purposes of cotton, or is better than cotton, and that an adequate and immediate supply can be obtained.

5. The inventor reserves to himself all the patent rights for the exclusive use, &c., of the product, or the article or thing from which it is produced for other purposes than textile fabrics.

In the *Times* of the 12th instant we find another article on this same general subject of substitutes for cotton, referring, however, not to the discovery claimed above, but to a method of treating jute which will enable it to be spun on cotton machinery, &c. The writer says:

"Excitement continues to increase in the market for the various products to which attention has been turned. Owing to the scarcity of cotton and flax, hemp and jute have all experienced a further advance to-day. In jute the improvement has lately been extraordinary, the present quotation showing a rise of £8 per ton, or more than 25 per cent upon that current a week back. The movement appears to have been greatly accelerated to-day by a statement that Messrs. Thomson & Co., of Deafield works, Dundee, have introduced a method for its treatment which will enable it to be spun on cotton machinery, and, in fact, to fulfill in a great degree the purposes of that staple. At the same time there are a number of other people putting forth suggestions and claims, and a certain kind of Italian grass is spoken of as a desirable product. Should jute, however, prove really available to the extent anticipated by Messrs. Thomson, it will be likely to take the lead of all other articles owing to the great abundance in which it can be obtained. About ten or fifteen years ago it was scarcely known as an article of commerce, but the quanity now annually exported from India is thought to be 70,000 or 80,000 tons. It comes principally from the eastern parts of Bengal, and is very easy to cultivate. The first purpose to which it was applied on a large scale was the manufacture of gunny bags, and subsequently it has been introduced for the manufacture of carpets, which have been used in considerable quantities in America. A year would be required before a new crop could be supplied, but it could then be furnished to meet any possible demand."

On the following day the same writer says:

"The number of applicants yesterday at the counting-house of Messrs. Robinson & Fleming to inspect the samples of prepared jute under the patent of Thomson & Co., of Dundee, was very great. Those among them who are woolen spinners are stated generally to have expressed a decided opinion as to the value and adaptability of the material for mixing with woolen manufactures. The cotton spinners also seemed disposed to consider that it will answer very well for mixing with cotton in the manufacture of cloths, although not for use alone as an entire substitute for cotton. It is stated that the quantity of jute now afloat for London

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is 4,342 tons against 5,157 at the corresponding period of last year. And to Liverpool, 3,250 tons against 2,456, so that the aggregate is almost exactly the same as at this period.

"The rise on jute since 3d instant, exceeds 50 per cent."

ROYAL COMMISSION ON COTTON.

At a meeting of the directors of the Glasgow Chamber of Commerce last week, the following memorial to Lord PALMERSTON, on the subject of the royal commission upon cotton, was adopted:

"That in consequence of the blockade of the Southern ports of the United States of America, which has now existed for more than a year, and the consequent obstruction of the cotton supply, the prosperity of numerous populous districts of this country, in which the manufacture of cotton is carried on, has been most seriously affected, and the distress and suffering now existing in Lancashire and elsewhere is a source of the deepest anxiety and alarm. That from the determination shown by both parties to the contest, there is reason to fear that the civil war in America may be continued for a very considerable period of time, and even when the war shall terminate it seems unreasonable to hope that the Southern States can again, or at least until a considerable period shall have elapsed, resume their supply of cotton to anything like the extent of their former production. That the quantity of cotton required for the consumption of Europe and the Eastern States of America is upwards of 5,000,000 of bales annually, of which the Southern States have been in use to supply 4,000,000 of bales, and that consequently, without extraordinary efforts, it is unreasonable to expect speedy or effectual relief in the unfortunate crisis at which the cotton manufacture would seem to have arrived. That various schemes have been suggested for procuring a supply of cotton, adequate in quantity, and adapted to the requirements of British manufacture, from other portions of the globe, as from India, Australia, the West Indies, Africa, &c., many of which merit careful and impartial consideration. That apart altogether from the existing state of matters in this country, which call so loudly for relief, the possible opening up of a great field of production to our colonies and to our home trade offers a most important subject for investigation. That while the schemes and suggestions above referred to are numerous and important, the want of some qualified and responsible party to consider and report as to their practicability and comparative value is generally felt and expressed. That the appointment of a royal commission appears to the memorialists the most effectual mode for having the whole question of cotton supply—in which the welfare and interests of the country and its dependencies are so intimately bound up—fully and impartially considered, and satisfactorily dealt with. That such an appointment would further be attended with most beneficial results, inasmuch as it would prove to those large classes of the community who are suffering under the existing depression and stagnation of trade, that the causes in which their sufferings have originated were being carefully and authoritatively inquired into, and that the talent and energies of the country were being directed to their alleviation and ultimate removal."

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AFRICA AS A COTTON FIELD.

Lord RUSSELL has received the following dispatch from Dr. BAIKIE, in command of the Niger expedition:

BIDA, NUSSE, CENTRAL AFRICA, *February* 26, 1862.

MY LORD: I feel it to be my duty again respectfully to request your lordship to call the attention of those in England interested in the supply of cotton, to the peculiar eligibility of this portion of Central Africa as a future cotton field. Here there are no adverse interests, no speculative political parties to interfere with our wishes, no monopolists nor capitalists to raise prices. Three-fourths of the laboring population, whether free or slave, are at liberty to have their own farms, and to sell the bulk of their own crops. Thus, though the small farmer may himself be a slave, the larger his crops the larger his profits, and in working hard he is not laboring by mere task, or simply for the benefit of his master, but for his own immediate behoof; and thus, though a large part of the population of Bonú and of Nússe are slaves, the labor on the small farms is not strictly "slave labor." It is from these small farms that most cotton comes to the market, and it is these small farmers whom any demand would stimulate. In Yoruba, more is produced by large traders, and there it has caused an increased demand and price for slaves; but here it would have, if anything, an opposite result, as it would enable many of the present serf population to effect their freedom. I have, in a former dispatch, shown how superior Sudán is, as a field for cotton, to the regions explored by Dr. LIVINGSTONE, alike from the greater proximity and superior navigability of the Niger to the Zambési, as well as that here cotton is already in abundance, and cultivated by a people able and willing to work, and accustomed to its habits and rearing. Nothing further is required but increased demand, and means to purchase, cleaning, and shipping; the rest would speedily follow. I have, &c.,

(Signed,) WM. BALFOUR BAIKIE.

COTTON CULTIVATION IN INDIA.

The European *Times* tells us that Mr. MONEY, of Java, had an interview with the directors of the Manchester Chamber of Commerce on the 1st, to offer his suggestions for the cultivation of cotton in India. Mr. MONEY's plan was simply to give the European cotton buyers power to counterbalance the influence of the native money lender by making him government receiver of the land tax, whilst the local European official's interest might be cultivated by giving him a per centage on the receivers' operations. A sub-committee was appointed to consider the suggestions. This Mr. MONEY is the same gentleman who is now contributing to the London *Economist* a series of interesting articles on the cotton supply question.

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RAILWAY, CANAL, AND TELEGRAPH STATISTICS.

1. Railroads of the United States — Census Report. 2. Railroads in France in 1862. 3. The Atlantic Telegraph. 4. New Telegraph Lines.

RAILROADS OF THE UNITED STATES—CENSUS REPORT.

The Census Report gives us a very clear and comprehensive view of the wonderful progress of railroads in the United States during the decade which terminated in 1860:

At its commencement the total extent in operation was 8,588.79 miles, costing $296,260,128; at its close, 30,598.77 miles, costing $1,134,452,909; the increase in mileage having been 22,004.08 miles, and in cost of construction $838,192,781.

While the increase in mileage was nearly 300 per cent, and the amount invested still greater, the consequences that have resulted from these works have been augmented in vastly greater ratio. Up to the commencement of the decade our railroads sustained only an unimportant relation to the internal commerce of the country. Nearly all the lines then in operation were local or isolated works, and neither in extent nor design had begun to be formed into that vast and connected system which, like a web, now covers every portion of our wide domain, enabling each work to contribute to the traffic and value of all, and supplying means of locomotion and a market, almost at his own door, for nearly every citizen of the United States.

Previous to the commencement of the last decade only one line of railroad had been completed between tide-water and the great interior basins of the country, the products of which now perform so important a part in our internal and foreign commerce. Even this line, formed by the several links that now compose the New York Central road, was restricted in the carriage of freight except on the payment of canal tolls, in addition to other charges for transportation, which restriction amounted to a virtual prohibition. The commerce resulting from our railroads consequently has been, with comparatively slight exceptions, a creation of the last decade.

The line next opened, and connecting the Western system of lakes and rivers with tide-water, was that extending from Boston to Ogdensburg, composed of distinct links, the last of which was completed during 1850. The third was the New York and Erie, which was opened on the 22d of April, 1851. The fourth, in geographical order, was the Pennsylvania, which was completed in 1852, although its mountain division was not opened till 1854. Previous to this time its summit was overcome by a series of inclined planes, with stationary engines, constructed by the State. The fifth great line, the Baltimore and Ohio, was opened, in 1853, still further south. The Tennessee River, a tributary of the Mississippi, was reached, in 1850, by the Western and Atlantic Railroad of Georgia, and the Mississippi itself, by the Memphis and Charleston Railroad, in 1859. In the extreme North the Atlantic and St. Lawrence, now known as the Grand Trunk, was completed early in 1853. In 1858, the Virginia system was extended to a con-

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nection with the Memphis and Charleston and with the Nashville and Chattanooga railroads.

The eight great works named, connecting the interior with the seaboard, are the trunks or base lines upon which is erected the vast system that now overspreads the whole country. They serve as outlets to the interior for its products, which would have little or no commercial value without improved highways, the cost of transportation over which does not equal one-tenth that over ordinary roads. The works named, assisted by the Erie Canal, now afford ample means for the expeditious and cheap transportation of produce seeking eastern markets, and could, without being overtaxed, transport the entire surplus products of the interior.

Previous to 1850 by far the greater portion of railroads constructed were in the States bordering the Atlantic, and, as before remarked, were for the most part isolated lines, whose limited traffics were altogether local. Up to the date named, the internal commerce of the country was conducted almost entirely through *water* lines, natural and artificial, and over ordinary highways. The period of the settlement of California marks really the commencement of the new era in the physical progress of the United States. The vast quantities of gold it produced imparted new life and activity to every portion of the Union, particularly the Western States, the people of which, at the commencement of 1850, were thoroughly aroused as to the value and importance of railroads. Each presented great facilities for the construction of such works, which promised to be almost equally productive. Enterprises were undertaken and speedily executed, which have literally converted them into a net-work of lines, and secured their advantages to almost every farmer and producer.

The only important line opened in the West, previous to 1850, was the one from Sandusky to Cincinnati, formed by the Mad River and Little Miami roads. But these pioneer works were rude, unsubstantial structures compared with the finished works of the present day, and were employed almost wholly in the transportation of passengers. Within the decade, in place of this one line, railroads have been constructed radiating from lakes Erie and Michigan, striking the Mississippi at *ten* and the Ohio at *eight* different points, and serve as trunk lines between the two great hydrographic systems of the West. These trunk lines are cut every few miles by cross lines, which, in the States east of the Mississippi, are sufficiently numerous to meet every public and private want, and to afford every needful encouragement to the development of the resources of this country.

The Southern States have been behind the Northern in their public enterprises, though, at the date of the census, they were prosecuting them with great energy and vigor. The progress inland of the great trunk lines of the South has been already noted. The opening of the Mobile and Ohio, and of the Mississippi Central, which will soon take place, will give completeness to the system of the Southwestern States, and leave little to be done to make it all that is wanted for that section of the country.

West of the Mississippi less has been done, for the reason that the settlements there are of a more recent date, and the people less able to provide the means for their construction than those of the older States. But even upon our western frontier extensive systems have been undertaken and very considerable progress made in their execution.

A more interesting subject than the progress of our public works would be their results, as shown in the increased commerce and wealth of the

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country. But such inquiries do not come within the scope of this report. It is well ascertained, however, that our railroads transport in the aggregate at least 850 tons of merchandise per annum to the mile of road in operation. Such a rate would give 26,000,000 tons as the total annual tonnage of railroads for the whole country. If we estimate the value of this tonnage at $150 per ton, the aggregate value of the whole would be $3,900,000,000. Vast as this commerce is, more than three-quarters of it has been created since 1850.

To illustrate the correctness of the estimate made, the following statement is added of the tonnage transported by the railroads of the State of New York for 1860, with the estimated value of the same. The classifications are made by the companies:

Kinds of freight.	Tons carried.	Value per ton.	Total value.
Products of the forest	373,424	$20	$7,468,480
Products of animals	895,519	200	179,103,800
Vegetable food	1,103,640	50	55,182,000
Other agricultural products	143,219	15	2,148,055
Manufactures	511,916	250	127,979,000
Merchandise	783,811	500	391,905,500
Other articles	930,244	10	9,302,440
Total	4,741,773	$163	$773,089,275

If we make a deduction of one-quarter for duplications—a portion of the tonnage passing over more than one road—the aggregate would be 3,556,330 tons, having a value of $579,681,790.

The railroads of Massachusetts transported, for the same year, 4,094,369 tons; or, making the deductions for duplications, 3,070,027 tons, and having a value of $500,524,201. The number of miles of railroad employed in the transportation of freight being 2,569 in the State of New York, and 1,317 in the State of Massachusetts, with the deductions named, the amount of freight transported in these States average 1,700 tons per mile. We have estimated the tonnage of all the railroads of the United States to average one-half the amount of the roads in these States. That this is not an overestimate is shown by the following statement of the tonnage of several interior lines:

	Length of miles.	Tons transported.
Cleveland, Columbus, and Cincinnati	141	295,835
Little Miami	120	343,961
Cleveland and Toledo	147	250,483
Michigan Central	282	378,570
Michigan Southern	525	398,679
Illinois Central	700	496,390
Chicago, Burlington, and Quincy	310	538,670
Chicago and Rock Island	228	301,668
Galena and Chicago	259	381,188
Total	2,712	3,386,393

The following tables give the length, cost, &c., of the railroads in the United States in 1850 and 1860:

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TABLE SHOWING THE LENGTH, COST, ETC., OF THE RAILROADS OF THE UNITED STATES.

	Mileage.		Cost of construction, &c.	
	1850.	1860.	1850.	1860.
Maine	245.59	472.17	$6,999,894	$16,576,385
New Hampshire	465.32	656.59	14,774,133	23,268,659
Vermont	279.57	556.75	10,800,901	23.336,215
Massachusetts	1,035:74	1,272.96	47,886,905	58,882,328
Rhode Island	68 00	107.92	2,802,594	4,318,827
Connecticut	413.26	603.00	13,989,774	21,984,100
New England	2,507.48	3,669.39	$97,254,201	$148,366,514
New York	1,403.10	2,701.84	$65,456,123	$131,320,542
New Jersey	205.93	559.90	9,348,495	28,997,033
Pennsylvania	822.34	2,542.49	41,683,054	143,471,710
Delaware	39.19	136.69	2,281,690	4,351,789
Maryland	253.40	380.30	11,580,808	21,387,157
Mid. Atlantic	2,723.96	6,321.22	$130,350,170	$329,528,231
Virginia	515.15	1,771.16	$12,585,312	$64,958,807
North Carolinia	248.50	889.42	3,281,623	16,709,793
South Carolina	289.00	987.97	7,525,981	22,385,287
Georgia	643.72	1,404.22	13,272,540	29,057,742
Florida	21.00	401.50	210,000	8,628,000
So. Atlantic	1,717.37	5,454.27	$36,875,456	$141,739,629
Alabama	132.50	743.16	$1,946,209	$17,591,188
Mississippi	75.00	872.30	2,020,000	24,100,009
Louisiana	79.50	334.75	1,320,000	12,020,204
Texas	....	306.00	.....	11,232,345
Gulf	287.00	2,256.21	$5,286,209	$64,943,746
Arkansas	....	38.50	.....	$1,155,000
Tennessee	....	1,197.92	.....	29,537,722
Kentucky	78.21	569.93	1,830,541	19,068,477
Int., South	78.21	1,806.35	$1,830,541	$49,761,199
Ohio	575.27	2,999.45	$10,684,400	$111,896,351
Indiana	228.00	2,125.90	3,380,533	70,295,148
Michigan	342.00	799.30	8,945,749	31,012,399
Illinois	110.50	2,867.90	1,440,507	104,944,561
Wisconsin	20.00	922.61	612,382	33,555,606
Iowa	....	679.77	.....	19,494,633
Missouri	....	817.45	.....	42,342,812
Int., North	1,275.77	11,212.38	$25,063,571	$413,541,510
California	.....	70.05	.....	$3,600,000
Oregon	.....	3.80	.....	80,000
Pacific	.....	73.85	.....	3,680,000

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CITY PASSENGER RAILROADS.

Cities.	Length. Miles.	Cost of roads, &c.
Boston, Massachusetts	67.39	2,964,875
New York	61.79	5,002,835
Brooklyn, New York	79.92	2,071,678
Hoboken, New Jersey	1.79	32,000
Cincinnati, Ohio	17.38	403,163
St. Louis, Missouri	26.30	576,590
Philadelphia, Pennsylvania	148.00	3,811,700
Total	402.57	14,862,840

RECAPITULATION.

States.				
New England	2,507.48	3,669.39	$97,254,201	$148,366,514
Middle Atlantic	2,723.96	6,321.22	130,350,170	329,528,231
Southern Atlantic	1,717.37	5,454.27	36,875,456	141,739,629
Gulf	287.00	2,256.21	5,286,209	64,943,746
Interior, South	78.21	1,806.35	1,830,541	49,761,199
Interior, North	1,275.77	11,212.38	25,063,571	413,541,510
Pacific	.....	73.85	.....	3,680,000
Total	8,589.79	30,793.67	$296,660,148	$1,151,560,829
City railroads	.....	402.57	.....	$14,862,840
Total	.....	31,196¼	.....	*1,166,422,729

RAILROADS IN FRANCE IN 1862.

The customary half-yearly returns of French railways has just been published. It shows that on the 30th June of the present year, the total length of railway worked was 10,460 kilometres, or 6,537 English miles, and that on the corresponding date of last year the length was only 9,566 kilometres, or 5,915 miles. It shows also that the total receipts of the first six months of the present year were 221,620,660f, which make $44,324,130, and that those of the corresponding period of 1861 were 210,567,546f, or $42,113,510.

The following statement we take from the published returns, simply reducing the kilometres to miles and the francs to dollars. The term "Old network" means the old original concessions, and "New network" signifies new lines or embranchments and prolongations of old ones. The distinction is made, because on the new network the government guarantees a certain interest.

	June 30, 1862.		June 30, 1861.	
	Miles.	Receipts.	Miles.	Receipts.
Old network	4,377	$37,413,955	4,365	$36,608,645
New network	2,160	5,910,175	1,550	5,504,865
Total	6,537	$44,324,130	5,915	$42,113,510

* We doubt not that this sum is considerably too small for the aggregate cost of our roads, for the reason that the leading roads in furnishing and perfecting their works have expended large sums out of their earnings which have not gone to capital stock or bonded debt. We know of one road which has thus expended near $2,000,000.

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THE ATLANTIC TELEGRAPH.

Intelligence may be expected at any moment from the British steamer which was dispatched from St. John some months ago to take a new line of soundings along the coast of Newfoundland, and half way across the ocean, where she was to meet another British steamer (the Porcupine) which had been assigned to a similar duty along the Irish coast and the other half of the Great Atlantic Cable route. The Admiralty having ordered each steamer to return to her starting point, the results of the exploration of the western half will be first reported from St. John. The object of the new survey is to find the best places for the shore cable, and to ascertain, if possible, a still better range of soundings for the main line than the one determined on at the first survey.

The Porcupine, we learn, has already returned to Plymouth, and the Liverpool *Mercury* gives the following as the result of its labors:

"Some of the soundings extended to a depth of 2,500 fathoms. The visit of the steamer to Rockall, on the 14th of August, seems to have been prompted by a desire on the part of the Lords of the Admiralty to be able to judge, by a knowledge of its depth and character, of the expediency of dropping a cable across this bank, for the purpose of connecting Ireland with Iceland and America. On the ridge of the banks, soundings varied from 90 to 160 fathoms; fish were most abundant; the bottom consisted of mud and sand. The diagrams, returns, and reports from the officers engaged on board the Porcupine have been sent to Whitehall for the consideration in the first place of the Lords of the Admiralty, after which communication will be made by their lordships to the directors of the Atlantic Telegraph Company.

NEW TELEGRAPH LINES.

Russia.—Accounts from St. Petersburg state that at the end of August there were in Russia 33,104 versts of electric telegraph (24,000 miles.) The number of stations was 150. An additional length of 10,335 versts is in course of being established.

New York and London.—In July last communication by electric telegraph could be made between London and Tumen, in Siberia, 4,039 miles distance. It is expected that the wires will be extended to Nikolaivski, on the Pacific, by the end of this year, and that there will be telegraphic communication with New York, *via* Siberia and California, by the end of 1863.

Switzerland and Bavaria.—The cable intended to establish a direct telegraphic communication between Bavaria and Switzerland, was submerged on the 4th inst. The total length is 70,000 feet, and its weight 280 quintals. According to the soundings which have been made, the greatest depth of the Lake of Constance, where the cable will be placed, is 300 feet.

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JOURNAL OF INSURANCE.

1. MARINE LOSSES FOR JULY AND AUGUST. 2. INSURANCE COMPANIES—WAR TAXES.

MARINE LOSSES FOR JULY AND AUGUST.

IN the August number of *Merchants' Magazine* we gave a list of the marine losses for the six months ending with June last: we now publish the losses for July and August. These statements include only the value of property totally lost.

LOSSES FOR JULY.

Name.	Captain.	From.	For.	Value.
Ship Mary Merrill	Taylor	....	Welling'n N. Z.	$18,000
Marengo	Doughty	Huelva	Liverpool	25,000
Sea King	Cauldfield	Melbourne	Anjier	70,000
Kearsage	Sawyer	Havana	New York	30,000
Jos. Howe, (Br) *a*	*Slater	Eastport	Liverpool	31,000
Simode	Smith	Melbourne	Calcutta	25,000
Bark Reindeer, *a* & *b*	Hewett	Cette	New York	20,000
Gladiola, *a*	Davis	New York	Hong Kong	40,000
Lebanon, (Br) *a*	Reid	New York	Belfast, I,	50,000
Sooleo, *b*	Hames	Macao	Ningpo	18,000
Philomela	Ellms	Sourabaya	Siam Gulf	25,000
Brig Rravo, *a*	Muson	New York	Dunkirk	35,000
Globe, (Br) *a*	....	Jersey	Boston	15,000
Orinoco	Nash	Minatitlan	Boston	9,000
Reindeer, (Br) *a*	Balman	St. Jago	New York	30,000
Schr Marie Flora, (Br) *m*	Bernier	....	Boston	15,000
Emeline, *b*	Dennison	New York	New Orleans	45,000
Enterprise, *a*	....	Boston	New Orleans	42,000
Udora, *f*	....	L. Ponch'in	New Orleans	3,500
Sloop Alice, *s c*	....	.....	Brookhaven	1,000
Total losses for July, 20 vessels.		Amount		$536,500

LOSSES FOR AUGUST.

Name.	Captain.	From.	For.	Value.
Str Golden Gate, *b*	Hudson	S. Francisco	Panama	$1,500,000
Union Star, *bl'n up*	Bealchen	S. Francisco	....	30,000
Cortes, *b*	Dall	Shanghae	Hankow	80,000
Southerner, *s c*	McQuoid	N. Orleans	the coast	18,000
West Point, *s c*	....	New York	Potomac	50,000
Ship Mary Pleasants	Dixon	Akyab	Falmouth	40,000
Bark Mansfield, (Br) *m*	Netheway	New York	Llanlley	50,000
H'y Gillispie, (Br) *f*	Smith	Marseilles	New York	60,000
Colooney, *a*	McCresy	New York	Sligo	20,000
Escorisza	Ryder	Queenstown	Havana	14,000
Brunette	Havlin	Havana	New York	33,000
H. A. Rawlins, *a*	....	S. Francisco	Colorado R	210,000
Brig Avon, (Br)	Hopkirk	New York	Cardenas	15,000
Hobart, *a*	Jordan	Scilly	Eastport	3,500

* Vessels marked *a* are abandoned at sea; those marked *m*, missing, supposed lost; those marked *b*, burned; those *s c*, sunk after collision, and those marked *f*, foundered.

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	Name.	Captain.	From.	For.	Value.
Brig	Jacob Dock, *a*	Swendson	New York	Cienfuegos	50,000
	King Brothers, (Br)	Larraway	P.au Prince	New York	9,000
Schr	Louisa Reeves, *a*	....	New York	....	1,800
	Victor	Sears	Quincy	Sandy Hook	3,000
	Ellen, (Br) *s c*	Pettan	New York	Nassau	5,000
	J. B. Dickinson, *a*	Stellman	Phil'd'lphia	E. Cambridge	3,300
	Zulette	....	Ellsworth	Boston	1,000
Sloop	Alice	Davis	Elizabethp't	Norwich, Ct	1,000
	Star, *b*	....	Mills'nPt.Ct	Newport	800
	Bride	....	Falmouth	....	600

	Vessels.	Amount.
Total losses for the six months ending with June	319	$8,816,400
" " July	20	536,500
" " August	24	2,199,000
Total for eight months	363	$11,551,900
Same period last year	307	9,990,230

INSURANCE COMPANIES—WAR TAXES.

The correspondent of the Boston *Post* says:

An attempt is making to effect a harmonious combination of fire under writers, throughout the North, with respect to the war taxes levied in the recent act of Congress upon insurance companies. On the 12th and 13th of August a convention was held in this city to discuss the subject. It appears that the new tax bill treads on the toes of fire underwriters in eight different places, and it was the unanimous conviction of the delegates to the convention that the burden should be borne by the assured and not by the companies. Although a slightly extra-judicial proceeding the convention also passed the following resolution: "*Resolved*, That the rates now paid for fire insurance in the United States are not on the average sufficient to preserve the companies in a sound condition, and enable them to pay a fair profit to their stockholders. The newly imposed taxes will, if the companies bear them, act as the final feather which the camel objected to carrying. Although small in themselves, they form in the aggregate a heavier load than some of the companies can safely undertake to bear. Here are the several items of taxes applicable to the insurance interest: On dividends declared, or surplus accumulations, three per cent; on gross receipts of premiums, quarterly, one per cent; stamp tax on appraisement of value or damage, five cents; bank checks for any sum over $20, two cents; certificates of stock, twenty-five cents; every policy or renewal, twenty-five cents; power of attorney for sale or transfer of stock, twenty-five cents; proxy, ten cents. It is confidently stated that these taxes were laid by the committees of Congress with the express expectation that they were to be collected by the companies from their customers. It is therefore considered a simple matter of justice that the assured, who in these degenerate days secure indemnity against fire at rates which would be ridiculous were they not ruinous, should cheerfully pay these little assessments, and thus add to their own security by relieving the companies from a weight which, in the aggregate, is of magnificent proportions.

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STATISTICS OF POPULATION.

1. Population of the United States according to the Eighth Census. 2. The Flow of Population to the Suburbs of London and Liverpool.

POPULATION OF THE UNITED STATES ACCORDING TO THE EIGHTH CENSUS (1860.)*

The following we have taken from Superintendent Kennedy's well-arranged report of the eighth census:

TABLE SHOWING THE POPULATION OF THE STATES AND TERRITORIES.

States.	White.	Free colored.	Slave.	Total.
Alabama	526,431	2,690	435,080	964,201
Arkansas	324,191	144	111,115	435,450
				†14,555
California	361,353	4,086	.....	305,439
Connecticut	451,520	8,627	.....	460,147
Delaware	90,589	19,829	1,798	112,216
Florida	77,748	932	61,745	140,425
Georgia	591,588	3,500	462,198	1,057,286
Illinois	1,704,323	7,628	.....	1,711,951
Indiana	1,339,000	11,428	.....	1,350,428
Iowa	673,844	1,104	.....	674,948
Kansas	106,579	625	2	107,206
Kentucky	919,517	10,684	225,483	1,155,684
Louisiana	357,629	18,647	331,726	708,002
Maine	626,952	1,327	.....	628,279
Maryland	515,918	83,942	87,189	687,049
Massachusetts	1,221,464	9,602	.....	1,231,066
Michigan	742,314	6,799	.....	749,113
Minnesota	173,596	259	.....	173,855
Mississippi	353,901	773	436,631	791,305
Missouri	1,063,509	3,572	114,931	1,182,012
New Hampshire	325,579	494	.....	326,073
New Jersey	646,699	25,318	18	672,035
New York	3,831,730	49,005	.....	3,880,735
North Carolina	631,100	30,463	331,059	992,622
Ohio	2,302,838	36,664	.....	2,339,502
Oregon	52,337	128	.....	52,465
Pennsylvania	2,849,266	56,849	.....	2,906,115
Rhode Island	170,668	3,952	.....	174,620
South Carolina	291,388	9,914	402,406	703,708
Tennessee	826,782	7,300	275,719	1,109,801
Texas	421,294	355	182,566	604,215
Vermont	314,389	709	.....	315,098
Virginia	1,047,411	58,042	490,865	1,596,318
Wisconsin	774,710	1,171	.....	775,881
	26,708,157	476,562	3,950,531	31,149,805

* For statement of the population of each State and Territory, decennially, commencing 1790 to 1850, inclusive, see *Merchants' Magazine*, vol. xxvi., page 129. † Indians.

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Territories.	White.	Free colored.	Slave.	Total.
Colorado	34,231	46	.....	34,277
				*2,261
Dakota	2,576	.....	.....	2,576
Nebraska	28,759	67	15	28 841
Nevada	6,812	45	.....	6,857
				*10,507
New Mexico	82,924	85	.....	83,009
Utah	40,214	30	29	40,273
				*426
Washington	11,138	30	.....	11,168
District of Columbia	60,764	11,131	3,185	75,080
	26,975,575	487,996	3,953,760	31,445,080

TABLE SHOWING THE NUMBER OF THE INHABITANTS OF THE STATES AND TERRITORIES AT EACH CENSUS FROM 1790 TO 1860, INCLUSIVE, AND THE NUMBER OF WHITES, FREE COLORED, AND SLAVES, RESPECTIVELY, DURING THE SEVERAL DECENNIAL TERMS AND FOR THE WHOLE PERIOD.

Aggregate population.	1790.	1800.	1810.	1820.
Total population	3,929,827	5,305,925	7,239,814	9,638,131
White population	3,172,464	4,304,489	5,862,004	7,861,937
Free colored population	59,466	108,395	186,446	233,524
Free population	3,231,930	4,412,884	6,048,450	8,095,461
Slave population	697,897	893,041	1,191,364	1,538,038
Colored population	757,363	1,001,436	1,377,810	1,771,562

Aggregate population	1830.	1840.	1850.	1860.
Total population	12,866,020	17,069,453	23,191,876	31,445,089
White population	10,537,378	14,195,695	19,553,114	26,975,575
Free colored population	319,599	386,303	434,449	488,005
Free population	10,856,977	14,581,998	19,987,563	27,463,580
Slave population	2,009,043	2,487,455	3,204,313	3,053,760
Colored population	2,238,642	2,873,758	3,638,762	4,441,765

INDIAN POPULATION IN THE STATES AND TERRITORIES NOT ENUMERATED IN THE CENSUS AND RETAINING THEIR TRIBAL CHARACTER.

West of Arkansas	65,680	Tennessee	181
California	13,540	Wisconsin	2,833
Georgia	377	Colorado Territory	6,000
Indiana	384	Dakota Territory	39,664
Kansas	8,189	Nebraska Territory	5,072
Michigan	7,777	Navada Territory	7,550
Minnesota	17,900	New Mexico	55,100
Mississippi	900	Utah Territory	20,000
New York	3,785	Washington Territory	31,000
North Carolina	1,499		
Oregon	7,000		294,431

* Indians.

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RECAPITULATION.

Total population of the States and Territories.....	31,445,089
White population of Indian Territory west of Arkansas....	1,988
Free colored population of Indian Territory west of Arkansas.	404
Slave population of Indian Territory west of Arkansas.....	7,369
Population of Indian tribes.....	294,431
Total population in 1860.....	31,749,281

In comparing the gain of any class of the population, or of the whole of it, one decade with another, the rate per cent. is not a full test of advancement. The *rate* of gain necessarily diminishes with the density of population, while the absolute increase continues unabated. It will be seen from the above tables that the actual increase of the entire free and slave population from 1850 to 1860, omitting the Indian tribes, was 8,225,464, and the rate per cent is set down at 35.46; while from 1840 to 1850 the positive increment of all classes was 6,122,423, yet the ratio of gain was 35.87 per cent. The two decades from 1800 to 1810, and from 1840 to 1850, were marked by the great historical facts of the annexation of Louisiana, and the acquisition of Texas, New Mexico, and California. Each of these regions contributed considerably to the population of the country, and we accordingly find that during those terms there was a ratio of increase in the whole body of the people greater by a small fraction than shown by the table annexed for the decade preceding the Eighth Census. The preponderance of gain, however, for that decennial term above all the others since 1790, is signally large. No more striking evidence can be given of the rapid advancement of our country in the first element of national progress than that the increase of its inhabitants during the last ten years is greater by more than 1,000,000 of souls than the whole population in 1810, and nearly as great as the entire number of people in 1820.

Thus far in our history no State has declined in population. Vermont has remained nearly stationary, and is saved from a positive loss of inhabitants by only one-third of one per cent. New Hampshire, likewise, has gained but slowly, her increment being only 8,097, or two and one-half per cent on that of 1850. Maine has made the satisfactory increase of 45,110, or 7.74 per cent. The old agricultural States may be said to be filled up, so far as regards the resources adapted to a rural population in the present condition of agricultural science. The conditions of their increase undergo a change upon the general occupation and allotment of their areas. Manufactures and commerce, then, come in to supply the means of subsistence to an excess of inhabitants beyond what the ordinary cultivation of the soil can sustain. This point in the progress of population has been reached, and, perhaps, passed in most, if not all, of the New England States. But while statistical science may demonstrate within narrow limits the number of persons who may extract a subsistence from each square mile of arable land, it cannot compute with any reasonable approach to certainty the additional population, resident on the same soil, which may obtain its living by the thousand branches of artificial industry which the demands of society and civilization have created. This is forcibly illustrated by the returns relative to the three other New England States—Massachusetts, Rhode Island, and Connecticut—which contain 13,780 square miles. The following table shows their population in 1850 and 1860, and its density at each period.

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States.	1850. Population.	1850. Inhabitants to square mile.	1860. Population.	1860. Inhabitants to square mile.
Massachusetts.....	994,514	127.49	1,231,066	157.83
Connecticut.....	370,792	79.33	460,147	98.42
Rhode Island.....	147,545	112.92	174,620	133.63
	1,412,851	.....	1,865,838	.....

The aggregate territorial extent of Maine, New Hampshire, and Vermont, is 48,336 square miles; the number of their inhabitants 1,269,450, or 26.26 to the square mile. The stated point of density was passed by the three States named in the table more than fifty years ago, and yet they go on increasing in population with a rapidity as great as at any former period in their history.

South Carolina has gained during the decade 35,201 inhabitants of all conditions, equal to 5.27 per cent. Of this increase 16,825 are whites, and the remainder free colored and slaves. It is perhaps a little remarkable that the relative increase of the free colored class in this State was more considerable than that of any other. As their number, 9,914, is so small as to excite neither apprehension or jealousy among the white race, the increase is probably due both to manumission and natural causes. This State has made slower progress during the last term than any other in the south, having advanced only from 27.28 to 28.72 inhabitants to the square mile.

Tennessee, it will be observed, has made but the moderate gain of 10.68 per cent for all classes. Of this aggregate increase the whites have gained at the rate of 9.24 per cent upon 1850, the free colored 13.67, and slaves 15.14.

The next lowest in the rate of increase in the list of Southern States is Virginia, whose gain upon her aggregate population, in 1850, was 174,657, equal to 12.29 per cent. The white class gained 152,611, or 17.06 per cent, the slaves 18,337, or 3.88 per cent.

These are examples of the States wherein the population has advanced with slowest progress the past ten years. Turning now to the States which have made the most rapid advance, we find that New York has increased from 3,097,394 to 3,880,735, exhibiting an augmentation of 783,341 inhabitants, being at the rate of 25.29 per cent. The free colored population has fallen off 64 since 1850.

The gain in Pennsylvania has been in round numbers 595,000. In that State the free colored have increased about 3,000. The greater mildness of the climate and a milder type of the prejudices connected with this class of population, the result of benevolent influences and its proximity to the slaveholding States, may account for the fact that this race holds its own in Pennsylvania, while undergoing a diminution in the State next adjoining on the north.

Minnesota was chiefly unsettled territory at the date of the Seventh Census; its large present population, as shown by the returns, is therefore nearly clear gain.

The vast region of Texas ten years since was comparatively awil derness. It has now a population of over 600,000, and the rate of its increase is given as 184 per cent.

Illinois presents the most wonderful example of great, continuous, and

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healthful increase. In 1830 Illinois contained 157,445 inhabitants; in 1840, 476,183; in 1850, 851,470; in 1860, 1,711,951. The gain during the last decade was therefore, 860,481, or 101.06 per cent. So large a population, more than doubling itself in ten years, by the regular course of settlement and natural increase, is without a parallel. The condition to which Illinois has attained under the progress of the last thirty years is a monument of the blessings of industry, enterprise, peace, and free institutions.

The growth of Indiana in population, though less extraordinary than that of her neighboring State, has been most satisfactory, her gain during the decade having been 362,000, or more than thirty-six per cent upon her number in 1850.

Michigan, Wisconsin, and Iowa have participated to the full extent in the surprising development of the northwest. The remarkable healthfulness of the climate of that region seems to more than compensate for its rigors, and the fertility of the new soil leads men eagerly to contend with and overcome the harshness of the elements. The energies thus called into action have, in a few years, made the States of the northwest the granary of Europe, and that section of our Union which, within the recollection of living men, was a wilderness, is now the chief source of supply in seasons of scarcity for the suffering millions of another continent.

Looking cursorily over the returns, it appears that the fifteen slaveholding States contain 12,240,000 inhabitants, of whom 8,039,000 are whites, 251,000 free colored persons, and 3,950,000 are slaves. The actual gain of the whole population in those States from 1850 to 1860, was 2,627,000, equal to 27.33 per cent. The slaves advanced in numbers 749.931, or 23.44 per cent. This does not include the slaves of the District of Columbia, who decreased 502 in the course of the ten years. The nineteen free States and seven Territories, together with the federal District, contained, according to the Eighth Census, 19,201,546 persons, including 27,749 Indians; of whom 18,936,579 were white, and 237,218 free colored. The increase of both classes was 5,598,603, or 41.24 per cent. No more satisfactory indication of the advancing prosperity of the country could be desired than this general and remarkable progress in population. North and south we find instances of unprecedented gains, as in the case of Illinois, just adverted to. In the southwest the great State of Missouri has increased by the number of 500,000 inhabitants, which is within a fraction of 74 per cent. It is due to candor to state that the marked disproportion between the rate of gain in the north and south respectively, is manifestly to some extent caused by the larger number of immigrants who settle in the former section, on account of congeniality of climate, the variety of occupation, the dignity wherewith respectable employment is invested, and the freedom of labor.

THE FLOW OF POPULATION TO THE SUBURBS OF LONDON AND LIVERPOOL.

A further publication of the census returns, not under that designation, but in a column of the Registrar-General's annual report, giving the population in all the sub-districts and divisions adopted for the purpose of registration, above 2,000 in all, shows in some detail the continuance

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of the great movement from the rural districts into the towns, a displacement of population which is more or less general over Europe, and which proceeds as yet without any sign of reaction. The flow of population, for their habitations at least, to the suburbs of the great cities, is one of the most striking things in these tables. For instance, Everton (with Kirkdale), a suburb of Liverpool, had 35,776 people in 1851, and in 1861 the number was doubled. Another suburb, the parish of West Derby, increased its population from 33,014 to 52,740, nearly 60 per cent in ten years. So with Manchester; the town suburbs of Newton and Cheetham had 27,103 inhabitants in 1851, and 41,042 in 1861, 50 per cent more; and Pendleton rose from 16,974 to 24,448, 44 per cent. But the metropolis, thought so overgrown when it was so much smaller, presents everything upon the grandest scale. If we take up a map of London, we find these among the principal suburbs on the north side of the Thames —Poplar and Bow, Mild-end, Hackney, Islington, Kentish-town. Hampstead, St. Mary's, Paddington, and Kensington; those districts contained 328,880 inhabitants in 1851, and in 1861 they had 533,153, an increase in this large population of 62 per cent, or more than 200,000, being an addition to these suburbs of London of a number of persons exceeded by the entire population of only four provincial towns in all England. Or taking another suburb, the southeastern—Walworth, Peckham, Norwood, Snydenham, and Plumstead increased in ten years from 70,974 to 123,629, a growth of 74 per cent. These figures show in what direction the tide sets, and though it has covered districts where our fathers saw meadows, that is better than deepening in the old streets and courts. But while the census show us in various spots this astounding rise of a host of families, as if from the earth, it declares also that there is a smaller population to be counted levant and couchant in the heart of London and some other towns than there was ten years ago. Taken as a whole, the more crowded part of London contained 1,150,000 people in 1851, and about the same number were found there in 1861, but it is something to have thrown into the suburbs the increase of the ten years —in the whole metropolis 440,000, almost precisely the population of Liverpool. It is true that the population of the central portion of London has not remained the same in all its districts; Some are better off than they were, and some worse; north of the Thames (speaking still of this central and more crowded section) there has been a decrease of 11,000 or 12,000, and on the south side there has been a corresponding increase. But even in the south there is a far greater tendency to increase in the adjoining suburbs than in the hive that has settled along the river side; and it can hardly be that improvement will not spread from the north to the south, and part of the crowded population, willingly or unwillingly, disperse themselves over a larger area.

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JOURNAL OF BANKING, CURRENCY, AND FINANCE.

1. City Weekly Bank Returns—New York Banks, Philadelphia Banks, Boston Banks, Providence Banks. 2. Weekly Statement Bank of England. 3. Banks—Census Report. 4. Paper for Bank of England Notes Stolen. 5. The First Paper Money in Europe. 6. The Banks and the Tax Bill. 7. Banks of Illinois.

CITY WEEKLY BANK RETURNS.

New York Banks. (*Capital, Jan.*, 1862, $69,493,577; *Jan.*, 1861, $69,890,475.)

Date.	Loans.	Specie.	Circulation.	Net Deposits.	Weekly Clearings.
January 4,.....	$154,415,826	$23,983,878	$8,586,186	$111,789,233	$100,642,429
" 11,.....	152,088,012	25,373,070	8,121,512	113,889,762	105,634,811
" 18,.....	149,081,433	26,120,859	7,369,028	113,327,160	107,732,780
" 25,.....	145,767,680	26,698728	6,828,017	110,874,786	100,001,959
February 1,.....	144,675,778	27,479,583	6,404,951	112,057,003	93,791,629
" 8,.....	143,803,890	28,196,666	6,077,417	110,637,557	113,216,297
" 15,.....	141,994,192	28,114,148	5,762,506	110,430,475	105,102,177
" 22,.....	139,950,958	28,875,992	5,489,496	109,079,076	111,346,066
March 1,.....	137,674,238	29,826,959	5,363,944	107,974,499	109,854,823
" 8,.....	133,055.148	30,436,644	5,869,206	103,715,728	113,512,576
" 15,.....	130,622,776	30,773,050	5,904,866	100,296,704	118,957,978
" 22,.....	127,615,306	32,023,390	6,260,309	97,601,279	115,376,381
" 29,.....	125,021,630	32,841,802	6,758,313	94,428,071	106,973,432
April 5,.....	124,477,484	33,764,382	7,699,641	94,082.625	111,336,384
" 12,.....	123,412,491	34,594,668	8,004,843	93,759,063	114,738,013
" 19,.....	123,070.263	34,671,528	8,064,663	95,179,340	113,529,377
" 26,.....	125,086,825	35,297,944	8,118,571	101,897,435	124,396,733
May 3,.....	133,406,418	35,175.828	8,482,782	109,634,535	140,952,471
" 10,.....	138,948,211	32,239,868	8,830,321	115,559,206	181,113,537
" 17,.....	142,290,782	30,280,697	8,727,328	120,003,929	167,390,055
" 24,.....	142,950,149	30,672,760	8,592,676	122,602,864	142,828,565
" 31,.....	142,671,414	31,397,284	8,535,149	125,434,755	136,893,373
June 7,.....	142,318,381	31,248,882	8,813,603	125,566,961	148,123,103
" 14,.....	144,014,350	31,162,048	8,814,322	125,643,375	165,521,454
" 21,.....	146,839,762	31,047,945	8,849,183	126,684,422	168,059,995
" 28,.....	148,346,422	30,832,626	8,910,344	127,860,708	154,890,447
July 5,.....	148,643,718	31,790,519	9,270,815	127,496,534	149,748,923
" 12,.....	147,997,436	32,098,174	9,212,397	127,538,055	167,789,726
" 19,.....	148,827,423	31,926,609	9,155,301	129,485,977	161,066,594
" 26,.....	149,768,293	33,064,575	9,244,953	132,427,178	162,650,811
August 2,.....	150,517,844	34,022,490	9,311,868	137,112,937	149,167,638
" 9,.....	151,190,203	34,611,069	9,221,504	139,544,680	139,926 277
" 16,.....	152,328,731	35,301,778	9,237,206	142,034,051	139,796,908
" 23,.....	154,855,704	35,588,486	9,356,635	143,347,341	147,659,087
" 30,.....	158,278,552	35,640,982	9,454,806	141,971,741	150,875,167
Sept. 6,.....	158,435,859	36,138,928	9,645,965	142,663,036	154,074,880
" 13,.....	157,828,513	37,125,245	9,719,126	144,991,062	155,813,245
" 20,.....	158,299,288	37,863,037	9,789,060	148,680,453	179,681,651

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PHILADELPHIA BANKS. (*Capital, Jan.*, 1862, $11,970,130,)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Jan. 6,...	$31,046,537	$5,688,728	$2,145,219	$21,396,014	$3,645,956	$1,796,805
" 13,...	31,145,938	5,692,123	2,162,152	21,324,510	3,992,952	1,702,716
" 20,...	30,601,160	5,733,450	2,120,756	20,698,496	4,120,261	1,575,116
" 27,...	30,385,606	5,821,323	2,121,146	20,058,098	4,209,006	1,858,688
Feb. 3,...	30,385,319	5,884,011	2,144,398	20,068,890	4,572,872	1,707,136
" 10, ..	29,974,700	5,923,874	2,191,547	19,032,535	4,890,288	1,587,481
" 17,...	29,388,544	5,849,354	2,191,512	18,692,182	4,661,442	2,052,031
" 24,...	29,280,049	5,867,686	2,230,605	18,777,300	5,205,203	1,935,414
Mar. 3,...	29,393,356	5,881,108	2,343,493	18,541,190	5,218,383	1,828,383
" 10,...	28,083,499	5,869,730	2,575,503	17 375,771	5,131,834	1,733,169
" 17, ..	28,723,835	5,897,891	2,632,627	17,253,461	5,342,876	1,649,187
" 24,...	28,350,615	5,915,535	2,707,804	17,066,267	5,210,365	1,774,162
" 31,...	27,831,333	5,884,314	2,904,542	17,024,198	5,100,186	2,134,392
April 7,...	28,037,691	5,886,424	3,378,970	16,636,538	5,607,488	2,231,889
" 14,...	28,076,717	5,912,870	3,496,420	18,112,446	4,868,842	2,634,171
" 21,...	28,246,733	6,046,260	3,525,400	19,011,833	4,548,327	2,504,147
" 28,...	28,793,116	6,052,827	3,613,994	20,223,556	4,470,674	3,128,069
May 5,...	29,524,432	6,049,685	3,759,692	21,316,614	4,531,837	3,823,659
" 12,...	29,966,347	5,728,028	3,867,200	23,002,263	5,118,541	4,981,291
" 19,...	31,121,563	5,529,221	4,045,696	23,385,009	5,597,984	4,804,956
" 26,...	31,538,603	5,587,012	4,186,055	23,973,478	5,472,615	5,120,902
June 2,...	31,747,070	5,583,482	4,335,013	24,884,644	5,373,322	5,372,748
" 9,...	31,951,715	5,632,307	4,354,599	24,973,011	5,161,280	5,355,034
" 16,...	32,132,654	5,630,503	4,298,023	24 807,057	5,036,828	5,396,328
" 23,...	32,554,655	5,609,926	4,324,735	24,143,314	5,144,628	4,800,094
" 30,...	32,911,578	5,573,999	4,430,057	24,410,423	5,583,644	5,233,273
July 7,...	33,206,661	5,545,007	4,749,220	24,307,782	5,733,574	5,422,124
" 14,...	33,118,502	5,579,945	4,859,921	24,183,604	5,936,594	5,415,203
" 21,...	33,086,808	5,613,724	5,005,583	24,485,817	5,794,325	5,219,445
" 28,...	33,383,373	5,579,788	5,055,276	24,764,281	5,918,294	5,308,984
Aug. 4,...	33,517,900	5,660,187	5,026,070	24,658,289	5,984,242	5,406,075
" 11,...	33,543,878	5,652,730	4,999,935	24,217,855	6,339,018	5,204,511
" 18,...	33,506,039	5,552,605	5,006,351	24,147,814	6,400,830	5,316,223
" 25,...	33,731,575	5,483,051	5,002,418	24,237,662	6,533,786	5,446,155
Sept. 1,...	33,899,351	5,543,160	5,071,855	24,597,596	6,518,107	5,322,089
" 8,...	34,631,350	5,546,157	5,192,935	25,062,171	6,632,905	5,139,978
" 15, ..	35,015,676	5,515,044	5,177,587	24,780,163	7,420,242	5,104,687
" 22,...	34,871,535	5,449,027	5,174,550	24,194,214	7,702,439	5,212,073

BOSTON BANKS. (*Capital, Jan.*, 1862, $38,231,700; *Jan.*, 1861, $38,231,700.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Jan. 6,...	$65,612,997	$8,920,486	$6,451,587	$27,093,839	$9,187,924	$8,701,873
" 13,...	64,704,039	8,580,607	6,612,512	25,642,994	9,634,227	8,805,255
" 20,...	64,409,585	8,585,277	6,549,871	25,441,327	9,547,319	9,018,388
" 27,...	63,025,191	8,562,175	6,284,268	24,030,776	9,593,545	8,727,348
Feb 3, ..	62,628,793	8,529,483	6,260,299	23,500,321	9,727,783	8,766,415
" 10,...	62,340.600	8,514,600	6,616,000	22,784,700	9,892,600	8,965,500
" 17,...	62,587,788	8,410,890	6,469,309	22,034,794	9,653,725	8,315,887
" 24,...	62,053,640	8,341,588	6,580,205	21,515,228	9,625,869	8,644,360
Mar. 3,...	61,678,500	8,364,500	6,318,700	21,208,500	9,681,500	8,982,600
" 10,...	61,834,500	8,409,535	6,693,139	20,740,208	9,906,110	8,450,721
" 17,...	61,747,000	8,471,000	6,364,800	20,554,000	9,790,000	7,981,000
" 24,...	61,655,420	8,441,058	6,219,512	20,326,087	9,715.256	7,669,531
" 31,...	61,360.789	8,441,196	5,908,272	19,975,018	9,434,782	6,978,527
Apr. 7,...	61,208,974	8,674,170	6,557,152	21,014,000	9,245,088	8,133,124
" 14,...	61,058,969	8,688,573	6,170,383	21,009,010	8,949,259	7,173,374
" 21,...	61,019,787	8,679,356	5,924,906	21,570,017	8,529,277	6,946,164

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Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Apr.28,...	60,441,452	8,666,797	5,500,396	22,402,134	8,493,004	7,813,530
May 5,...	59,805,545	8,593,990	5,453,815	23,823,199	8,655,206	9,898,508
" 12,...	59,521,251	8,422,738	5,537,937	24,827,121	9,197,744	11,755,589
" 19,...	60,059,635	8,304,534	5,602,844	25,798,916	9,614,737	13,105,350
" 26,...	60,266,275	8,108,695	5,503,756	26,264,656	10,029,198	13,[illegible]95,636
June 2,...	60,677,367	8,089,723	5,348,138	26,730,486	10,226,491	13,924,896
" 9,...	62,059,198	7,983,425	5,696,413	26,277,021	10,610,702	12,888,043
" 16,...	62,591,341	7,894,899	5,875,612	25,602,048	10,632,170	11,884,692
" 23,...	63,056,262	7,850,634	6,159,115	25,994,738	10,644,000	12,122,000
" 30,...	63,638,999	7,8014,87	6,131,019	26,237,754	10,678,205	12,265,781
July 7,...	64,590,268	7,934 037	6,943,827	26,868,862	11,686,142	13,869,180
" 14,...	65,635,000	7,978,000	7,091,000	26,685,000	12,675,700	13,624,000
" 21,...	65,939,168	7,980,780	6,840,474	26,808,242	13,436,486	14,060,762
" 28,...	66,168,806	7,963,696	6,618,160	26,698,825	13,583,589	13,197,239
Aug. 4,...	66,836,729	7,966,702	6,633,822	27,315,402	14,013,524	13,473,620
" 11,...	67,508,527	7,967,761	6,768,178	26,816,409	14,409,359	12,379,978
" 18,...	68,234,988	7,975,427	6,778,260	26,572,677	14,854,778	12,566,167
" 25,...	68,843,323	8,055,402	6,772,215	26,791,827	15,690,425	13,231,313
Sept. 1,...	69,130,636	8,043,888	6,815,923	26,646,647	15,951,097	13,105,871
" 8,...	69,788,676	8,006,695	7,065,156	26,942,687	15,982,000	13,106,000
" 15,...	69,958,000	7,968,000	7,153,000	26,140,600	17,683,000	13,902,000
" 22,...	70,332,897	7,968,546	7,239,383	25,970,904	17,594,158	13,585,410

PROVIDENCE BANKS. (*Capital, Jan.*, 1862, $15,454,600.)

Date.	Loans	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Jan. 11, ...	$19,356,800	$408,700	$1,889,600	$3,054,600	$1,099,800	$915,400
" 18, ...	19,238,700	402,900	1,890,300	2,899,200	1,071,500	898,500
" 25, ...	19,160,600	394,700	1,756,500	2,899,600	959,400	1,057,400
Feb. 1, ...	19,160,600	394,700	1,811,100	2,950,500	871,800	925,500
" 8, ...	19,087,700	395,900	1,814,300	2,915,200	900,400	934,700
" 15, ...	19,109,400	394,800	1,784,000	2,762,200	911,100	1,081,000
" 22, ...	18,869,800	396,800	1,879,100	2,792,700	893,900	1,180,000
Mar. 1, ...	18,920,500	407,500	1,791,200	2,924,400	953 900	1,283,000
" 8, ...	18,953,900	405,100	1,973,500	3,030,600	1,131,500	1,598,800
" 15, ...	18,998,600	408,500	1,848,100	2,946,800	1,103,200	1,484,300
" 22, ...	19,148,400	408,300	1,879,200	3,060,900	1,085,000	1,407,700
" 29, ...	19,360,500	411,300	1,857,100	3,078,800	1,021,000	1,165,400
Apr. 5, ...	19,641,000	417,500	2,102,000	3,124,000	1,115,500	1,063,200
" 12, ...	19,719,200	416,600	2,036,300	3,017,700	1,081,000	894,800
" 19, ...	19,644,500	408,600	1,953,400	3,015,900	1,020,400	845,400
" 26, ...	19,620,300	413,700	1,877,200	3,123,500	948,400	961,200
May 3, ...	19,538,410	417,378	1,979,828	3,134,601	950,430	1,156,072
" 10, ...	19,070,200	410,300	1,969,400	3,164,700	1,132,500	1,714,400
June 7, ...	19,236,100	395,600	2,016,600	3,342,400	1,653,000	2,101,900
" 14, ...	19,641,600	388,500	2,182,700	3,274,600	1,666,500	1,818,200
" 21, ...	19,827,500	385,500	2,324,900	3,153,600	1,627,500	1,744,400
" 28, ...	20,285,500	383,400	2,510,500	3,283,200	1,873,500	1,753 700
July 5, ...	20,588,800	382,100	2,888,300	3,531,500	1,763,900	1,858 800
" 12, ...	20,416,400	388,000	2,953,800	3,183,100	1,744,600	1,796,600
" 19, ...	20,494,600	384,800	2,980,200	3,347,300	1,918,500	2,023,400
" 26, ...	21,078,400	376,400	3,143,100	4,282,200	2,061,800	2,150,200
Aug.16, ...	21,051,000	367,600	3,086,700	3,780,500	1,646,200	1,927,500
" 23, ...	21,119,500	363,300	3,102,000	3,569,900	1,801,600	2,090,700
Sept 6, ...	21,279,200	355,700	3,394,200	3,704,200	1,844,800	1,683,300
" 20, ...	21,804,200	35,690	3,484,300	3,731,600	1,710,800	1,642,300

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BANK OF ENGLAND.

WEEKLY STATEMENT.

Date.	Circulation.	Public Deposits.	Private Deposits.	Securities.	Coin and Bullion.	Rate of Discount.
Jan. 1.. .	£20,818,190	£7,345,833	£15,036,062	£30,419,730	£15,961,439	3 pr. ct.
" 8....	21,086,675	4,542,974	18,206,488	31,022,505	16,046,017	2½ "
" 15....	21,460,925	4,583,353	16,480,452	29,509,864	16,291,626	2½ "
" 22....	21,697,928	5,467,340	15,366,081	29,464,720	16,350,939	2½ "
" 29....	21,183,376	5,753,063	14,751,486	28,696,456	16,280,369	2½ "
Feb. 5....	21,427,554	5,788,441	14,179,917	28,834,352	15,956,903	2½ "
" 12....	21,236,312	4,884,989	15,526,334	29,010,241	16,042,949	2½ "
" 19....	20,772,726	5,397,144	15,085,843	28,771,812	15,894,405	2½ "
" 26....	20,736,715	5,762,849	14,939,742	29,024,962	15,749,065	2½ "
Mar. 5....	21,217,246	6,755,287	13,737,507	29,692,441	15,673,898	2½ "
" 12....	20,013,685	7,527,911	13,763,718	29,489,795	16,027,111	2½ "
" 19....	20,483,509	8,011,694	13,340,928	28,953,089	16,548,586	2½ "
" 26....	20,814,655	8,413,275	13,154,258	29,140,207	16,812,798	2½ "
April 2....	21,501,595	8,456,468	13,622,532	30,398,790	16,849,198	2½ "
" 9....	21,822,105	5,625,314	16,336,169	29,981,793	16,881,940	2½ "
" 16....	22,048,463	5,225,132	15,710,260	29,325,888	16,743,434	2½ "
" 23....	21,655,553	5,534,973	15,915,247	29,022,128	17,172,204	2½ "
" 30....	21,946,997	6,867,375	14,357,007	29,164,075	17,089,446	2½ "
May 7....	21,752,884	7,503,991	13,866,643	28,961,214	17,265,745	2½ "
" 14...	21,618,780	6,304,683	14,948,308	29,076,079	16,919,147	2½ "
" 21....	21,539,430	6,557,811	14,567,671	29,433,044	16,344,940	3 "
" 28....	21,265,561	6,937,808	14,685,087	29,824,704	16,178,815	3 "
June 4....	21,515,263	7,518,007	13,188,136	29,841,864	15,489,723	3 "
" 11....	21,329,641	8,825,516	13,156,662	31,396,492	15,036,100	3 "
" 18....	21,076,059	9,322,949	13,085,271	31,342,547	15,268,453	3 "
" 25....	21,172,057	9,629,594	13,399,245	31,424,661	15,909,638	3 "
July 2....	22,242,361	9,672,345	13,851,869	32,709,039	16,220,771	3 "
" 9....	22,504,490	5,429,939	17,199,715	31,287,912	17,055,537	2½ "
" 16....	23,085,409	5,223,380	17,063,630	30,942,358	17,671,890	2½ "
" 23....	22,942,503	5,291,213	17,202,923	30,631,501	18,060,617	2 "
" 30 ...	22,933,036	5,895,840	16,903,068	30,542,050	18,448,443	2 "
Aug. 6....	23,378,393	6,157,358	15,232,959	30,162,297	17,956,938	2 "
" 13....	22,920,727	6,838,546	14,594,854	29,929,352	17,778,846	2 "
" 20....	22,900,555	7,150,252	14,568,007	30,309,703	17,674,604	2 "
" 27....	22,079,890	7,508,882	14,865,006	30,106,295	17,678,698	2 "
Sept. 3....	22,348,918	7,671,934	14,973,470	30,808,748	17,825,220	2 "

BANKS—CENSUS REPORT.

Among the evidences of prosperity and general accumulation of wealth in the United States, the multiplication of banks with increased aggregate capital is one of the most significant. When, as in this country has been generally the case, individual promises representing produce and merchandise, and made available through the instrumentality of banks, are almost the sole means by which commodities pass from the producers to the consumers, the increased action of the banks becomes the index of larger production and more active trade. Where crops and the products of manufacturing industry are more abundant, the aggregate amount of paper created by their interchange is larger, and the negotiations of this paper require greater banking facilities. This want usually manifests itself in a more lucrative banking business, which draws more capital into that employment. Such a state of affairs presented itself during the decade which closed with 1860. The bank movement in the United States during that period under-

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went great expansion without becoming less sound. In that respect it presented a strong contrast to the expansion that occurred in the decade which ended with 1840. In that period a season of speculation in bank stocks and wild lands manifested itself, and the paper created for bank negotiation represented imaginary or speculative values rather than commodities produced. Those values were never realized, and the whole paper system based on them collapsed. If we compare the aggregate features of the banks at each decade with the population and the sum of the imports and exports for corresponding dates, the results are as follows:

	No. of banks.	Capital.	Loans.	Specie.	Circulation.	Import and export.	Population.
1830.	330	$145,192,268	$200,451,214	$22,114,917	$61,323,898	$144,726,428	12,866,020
1840.	901	358,442,692	462,896.523	33,105,155	106,968,572	239,227,465	17,069,453
1843.	691	228,861,948	251,544,937	33,505,806	58,563,608	149,090,279	.....
1850.	872	227,469,074	412,607,653	48.677,138	155,012,911	330,037,038	23,191,876
1860.	1,562	421,880,095	691,945,580	83,594,537	207,102,477	762,228,550	31,445,080

The year 1843 was that of the lowest depression after the extensive liquidation that followed the expansions of 1837–39. In that year the bank credits were, however, large, as measured by the foreign trade or the sum of the imports and exports, but an internal trade had been developed through the settlements of the western country which required more credits. The operation of the general bankrupt law aided in clearing away the wreck of over two hundred banks that had failed, and which failures involved that of several sovereign States that had loaned their credits for bank capital.

The elements of prosperity were now again active, and banking facilities were required to a greater extent. The severe losses the public had suffered made some more comprehensive guaranty necessary to a full restoration of confidence in bank paper. In New York, in 1838, a new principle had been adopted—that of requiring the banks to deposit security for their circulating notes and holding stockholders liable to an amount equal to the value of their shares. On this basis the banking of New York was thenceforth to operate; and the principle, as its value became recognized, was gradually adopted in other States.

The failure of the Irish harvests of 1846–47, followed by those of England in 1848–49, by creating a great demand for American breadstuffs, stimulated business and gave a new impulse to banking. The year 1850 showed an amount of foreign trade more than double that of 1843. With the increase of business the banks were very prosperous, as is manifest in the fact, that although the capital of the banks was no more in that year than in 1843, their discounts were one hundred and fifty millions, or 60 per cent greater. Thus the decade opened with a very lucrative banking business, and amid the greatest excitement in relation to the gold discoveries of California. The spirit of enterprise abroad was very strong, and the impression that prices were to rise by reason of the depreciation of gold was prevalent; hence the general desire to operate, in order to avail of the anticipated profits. Industry of all descriptions was very active and productive, and there never was a period when the national capital accumulated so fast, a remarkable evidence of which was afforded in the vast amount expended in the construction of railroads; while, of the large capital accumulated, a considerable portion was employed in banking. The incorporated bank capital increased nearly $200,000,000 and the private bank capital half as much. The report of the Treasury Department gave the latter amount at $118,036,080.

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The increase of bank capital was large in the Atlantic cities, particularly in Boston and New York, of which the number and capital were respectively as follows:

	1850.		1860.		Increase.	
	No.	Capital.	No.	Capital.	No.	Capital.
Boston....	30	$21,760,000	42	$36,581,700	12	$14,821,700
New York.	31	33,600,602	55	69,758,777	24	36,158,175
Total ...	61	$55,360,602	97	$106,340,477	36	$50,979,875

This increase of banks, following the general expansion of business, brought with it the necessity of some improved means of adjusting the daily mutual balances. The fifty-five banks in New York city, for example, were each compelled to settle as many accounts daily. To obviate that great labor the clearing system was devised. Each bank sends every morning to the clearing-house all the checks and demands it may have received the day previous, in the course of business, upon all others. These in a short time are interchanged, and a balance struck and paid. This system was established in 1853, and the amount of the exchanges and balances annually were as follows:

	Amount exchanged.	Balances.
1854.....	$5,750,455,987 06	$297,411,493
1855.....	5,362,912,098 33	289,694,137
1856.....	6,906,213,328 47	334,714,489
1857.....	8,333,226,718 06	365,313,901
1858.....	4,756,664,386 09	314,238,910
1859.....	6,448,005,956 01	363,984,682
1860.....	7,231,143,056 69	308,693,438
1861.....	5,915,742,758 05	353,383,944
Total	$50,704,365,288 81	$2,627,434,997

With the development of business the transactions grew immensely up to 1858, when they fell off nearly one-half under the panic of that year. They recovered gradually up to the breaking out of the rebellion. The banks of Boston and Philadelphia adopted the same system with similar results. The figures indicate to what an extent the credits of individuals, created in the operations of business, are cancelled through the intervention of the banks of the cities where the commerce of the whole country centralizes.

In the States of Illinois, Mississippi, Arkansas, and Florida, after the collapse of 1837, no banks were again created up to 1850, and the three last named are still without them, with the exception of two small ones in Florida. Texas has a small bank at Galveston, and Utah, Oregon, and New Mexico have none. In the District of Columbia four old banks expired by limitation of charter in the hands of trustees, and Congress refused to recharter them; but they continue to transact business.

It is probable that a large portion of the increase in banking, particularly at the West, has been due to the introduction of the security system of New York, the idea of which seemed to popularize that which had previously been in bad odor. The following table shows the States which have adopted the free banking principle in whole or in part:

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	Year adopted.	1860. Stocks held.	1860. Circulation.
New York	1838	$26,897,874	$29,9[illegible]9,506
Michigan	1849	192,831	222,197
New Jersey	1850	962,911	4,811,832
Virginia	1851	3,584,078	9,812,197
Illinois	1851	9,826,691	8,981,723
Ohio	1851	2,153,552	7,983,889
Indiana	1852	1,349,466	5,390,246
Wisconsin	1854	5,031,504	4,429,855
Missouri	1856	725,670	7,884,885
Tennessee	1852	1,233,432	5,538,378
Louisiana	1853	5,842,096	11,579,313
Iowa	1858	101,849	568,806
Minnesota	1858	50,000	50,000
Total		$57,951,954	$97,212,827

The principle cannot be said to have worked well except in New York, where it required constant alterations for many years to bring it to perfection.

The following table shows the number of banks in the United States in 1860:

States.	Banks & branches.	Capital.	Loans.	Specie.	Circulation.	Deposits.
Alabama	8	$4,901,000	$13,570,027	$2,747,174	$7,477,976	$4,851,153
Connecticut	74	21,512,176	27,856,785	989,920	7,561,519	5,574,900
Delaware	12	1,640,775	3,150,215	208,924	1,135,772	976,226
Florida	2	300,000	464,630	32,876	183,640	129,518
Georgia	29	16,689,560	16,776,282	3,211,974	8,798,100	4,738,289
Illinois	74	5,251,225	387,229	223,812	8,981,723	697,037
Indiana	97	4,343,210	7,675,861	1,583,140	5,390,246	1,700,479
Iowa	12	460,450	724,228	225,545	563,806	527,378
Kansas	1	52,000	48,256	8,268	8,895	2 695
Kentucky	45	12,835,670	25,284,869	4,502,250	13,520,207	5,662,892
Louisiana	13	24,496,866	35,401,609	12,115,431	11,579,313	19,777,812
Maine	68	7,506,890	12,654,794	670,979	4,149,718	2,411,022
Maryland	31	12,568,962	20,898,762	2,779,418	4,106,869	8,874,180
Massachusetts	174	64,519,200	107,417,323	7,532,647	22,086,920	27,804,699
Michigan	4	755,465	892,949	24,175	222,197	375,397
Missouri	38	9,082,951	15,461,192	4,160,912	7,884,885	3,357,176
N. Hampshire	52	5,016,000	8,591,688	255,278	3,271,183	1,187,991
New Jersey	49	7,884,412	14,909,174	940,700	4,811,832	5,741,465
New York	303	111,441,320	200,351,332	20,921,545	29,959,506	104,070,273
North Carolina	50	6,626,478	12,213,272	1,617,687	5,594,047	1,487,273
Ohio	52	6,890,839	11,100,462	1,828,640	7,983,889	4,039,614
Pennsylvania	90	25,565,582	50,327,157	8,378,474	13,132,892	26,167,843
Rhode Island	91	20,865,569	26,719,877	450,920	3,558,295	3,553,104
South Carolina	20	14,962,062	27,801,912	2,324,121	11,475,634	4,165,615
Tennessee	34	8,067,037	11,751,019	2,267,710	5,538,378	4,324,799
Vermont	46	4,029,240	6,496,523	198,409	3,882,983	787,834
Virginia	65	16,005,156	24,975,792	2,943,652	9,812,197	7,729,652
Wisconsin	108	7,620,000	7,592,361	419,947	4,429,855	3,085,813
Total	1,642	421,890,095	691,495,580	83,564,528	207,102,477	253,802,129
Total 7th census	872	227,469,077	412,607,653	48,671,138	155,012,881	127,567,655
Increase	770	194,421,018	278,887,927	34,893,390	52,089,596	126,234,474

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PAPER, FOR BANK OF ENGLAND NOTES, STOLEN—COUNTERFEITS HOW DETECTED.

The Directors of the Bank of England have met with a serious reverse. Hitherto, their great protection against the ingenuity of the forger has been the peculiarity in the manufacture of their paper—a peculiarity which has hithertor defied imitation. Various as have been the attempts to imitate this paper, it has never been successful, and a spurious Bank of England note could always be detected by the quality of the paper alone—that is, detected by all who are accustomed to the handling of the national notes. Finding that they could not successfully make this paper, the forgers have had recourse to a more simple mode of procuring it—they have stolen a large quantity, some say several tons, from the Bank's mills, in Hampshire, and there is great consternation in Threadneedle-street. The robbery was only brought to light by the great number of forged notes in circulation, which are so like the real thing that the most experienced in such matters have been imposed upon, even practised cashiers and others long accustomed to the handling of notes. When the painful fact was satisfactorily established, the Bank Directors immediately issued a reward of £1,500 for the discovery of the thieves and forgers, of which £500 is to be paid for the detection of the paper-stealers, and £1,000 to those who can trace out the persons using the paper in the printing of forged notes. Bankers, money-changers, and others are urged in the same announcement to exercise the utmost vigilance in the receiving of Bank of England notes, and are requested to note the name and address of the persons from whom they receive them. The robbery in question is a very serious affair both at home and abroad, and its consequences may be most disastrous unless the culprits are detected and brought to justice.

The Liverpool *Post* of August 21 gives the following instructions for detecting the counterfeits now in circulation:

The forged £5 and £10 Bank of England notes now in circulation are easily detected. In the first place they are vilely engraved, the signature is clumsy and unlike, and the vignette of Britannia is so badly executed that a mere glance detects the forgery. In the genuine note the background represents air and water—the air by faint lines, the water by dark lines but the most facile way is to look at the numbers. Previous to 1858 the two letters, one above the other, thus,—$\begin{matrix}\text{H}\\ \text{N}\end{matrix}$59784*, for instance, were engraved in what printers call open letters, but now these directing letters are printed in black, thus, $\begin{matrix}\textbf{H}\\ \textbf{N}\end{matrix}$5684*. The forgers copied notes issued before 1858, but date their forged notes 1861 or 1862.

THE FIRST PAPER MONEY IN EUROPE.

The following account of the first issue of paper money in Europe, is taken from WASHINGTON IRVING'S "Chronicle of the Conquest of Granada:"

"After the city of Alhambra was taken from the Moors, the veteran Count De Tendilla was left governor, and we were informed that this

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cavalier at one time was destitute of gold and silver wherewith to pay the wages of his troops and the soldiers murmured greatly seeing that they had not the means of purchasing necessaries from the people of the towns.

"In this dilemma what does this most sagacious commander? He takes him a number of little morsels of paper, on which he inscribes various sums, large and small, according to the nature of the case, and signs them with his own hand and name. These did he give to the soldiery in earnest of their pay. How! you will say, are soldiers to be paid with scraps of paper? Even so, I answer, and well paid too, as I will presently make manifest; for the good Count issued a proclamation ordering the inhabitants of Alhambra to take these morsels of paper for the full amount thereon inscribed, promising to redeem them at a future time with silver and gold, and threatening severe punishment to all who should refuse.

"The people having full confidence in his words, and trusting that he would be as willing to perform the one promise, as he certainly was able to perform the other, took those curious morsels of paper without hesitation or demur. Thus by a subtle and most mysterious kind of alchemy did this cavalier turn a useless paper into precious gold, and make his impoverished garrison abound in money. It is but just to add that the Count of Tendilla redeemed his promise like a loyal knight; and this miracle, as it appeared in the eyes of Antonio Agrepieda, is the first instance on record in Europe of paper money, which has since inundated the civilized world with unbounded opulence.

THE BANKS AND THE TAX BILL.

[OFFICIAL REPORT.]

TWe are indebted to GEORGE D. LYMAN, Esq., for the following report of the Bank Tax Committee adopted by a meeting of bank officers, held Monday, Sept. 24, 1862.

The undersigned, appointed a Committee for the consideration of the United States Tax Law, as affecting the business of Banks, after a very careful consideration of the subject, beg leave to report the following schedule, approved by Governor BOUTWELL, the Commissioner of Internal Revenue, as the result of their labors. The Committee take this opportunity of returning to that gentleman, on behalf of the Associated Banks of this city, their cordial thanks for the kind and courteous treatment received at his hands during their several interviews with him at Washington.

New York, September 29, 1862.

GEO. S. COLE, President Am. Exchange Bank,
A. E. SILLIMAN, President Merchants' Bank,
J. M. MORRISON, President Manhattan Company, } *Committee.*
JOS. M. PRICE, President Oriental Bank,
R. H. LOWRY, Cashier Bank of the Republic,

SCHEDULE.

1st, Agreements or Contracts other than those hereinafter named, for each sheet or piece of paper upon which the same shall be written, five cents..... .05

2d. Checks, Drafts, or Orders, for the payment of money, payable *at sight or on demand* (for any sum exceeding $20,) each two cents .02

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3d. Inland Bills of Exchange, Drafts, Checks, or Orders drawn upon places other than the place of issue, *if payable at sight*, or on demand, are subject to the same rate of tax, viz:..... .02

4th. Inland Bills of Exchange, Drafts, or Orders for the payment of money *otherwise than at sight or on demand*, and all promissory notes *on demand or on time* (excepting Circulating Bank Notes.)

Exceeding $20 and not exceeding $100	.05
Exceeding $100 and not exceeding $200	.10
Exceeding $200 and not exceeding $350	.15
Exceeding $350 and not exceeding $500	.20
Exceeding $500 and not exceeding $750	.30
Exceeding $750 and not exceeding $1,000	.40
Exceeding $1,000 and not exceeding $1,500	.60
Exceeding $1,500 and not exceeding $2,500	1 00
Exceeding $2,500 and not exceeding $5,000	1 50
And for every additional $2,500, or part of $2,500, one dollar	1 00

5th. Foreign Bills of Exchange drawn *out of*, but payable *in* the United States, and all such bills, *drawn in*, but payable *out of* the United States "when drawn singly or otherwise than in a set of three or more," and all letters of Credit, pay the same rates of duty as in the preceding Schedule.

[NOTE.—When such bills are drawn in any foreign currency the equivalent in dollars is taxable according to the standard value fixed by the United States.]

6th. Bills of Exchange drawn *in*, but *payable out* of the United States, "if drawn in a set of three or more," for every Bill of each set, not exceeding $150, or its equivalent, three cents	.03
Exceeding $150 and not exceeding $250	.05
Exceeding $250 and not exceeding $500	.10
Exceeding $500 and not exceeding $1,000	.15
Exceeding $1,000 and not exceeding $1,500	.30
Exceeding $1,500 and not exceeding $2,250	.30
Exceeding $2,250, and not exceeding $3,500	.50
Exceeding $3,500 and not exceeding $5,000	.70
Exceeding $5,000 and not exceeding $7,500	1 00
And for every additional $2,500, or part thereof	.30
7th. Bonds of Indemnity, fifty cents	.50
8th. Certificates of Stock in any incorporated company, each twenty-five cents	.25
9th. Certificates of Deposit of Bank, Trust Company, Banker, or Person acting as such, not exceeding $100, two cents	.02
Exceeding $100, five cents	.05
10th. Powers of Attorney—	
For sale or transfer of Stocks or Bonds, or for the collection of Dividends or Interest, twenty-five cents	.25
Or proxy for voting at an election, ten cents	.10
For receiving or collecting rents	.25
General Powers—For all purposes other than those above specified	1 00

[NOTE.—General Powers will not be valid for either of the specific objects above named, without the addition of the stamp required therefor.]

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11th. Protests, each twenty-five cents..... 25

12th. Tax on all Dividends, and on all sums added to Surplus or Contingent funds.....*Three per cent.*

13th. Stamps issued for specific instruments cannot be used for any other. (See sec. 96.)

14th. The person using or affixing a stamp, must write thereupon the initials of his name, and the date when used. (See sec. 99.)

The penalty for making, signing, or issuing any instrument, document, or paper of any kind, without the same having thereon a stamp to denote the duty, is *fifty dollars*, and such a paper will be invalid and of no effect. (Sec. 95.)

The certification of checks, already duly stamped, will require no additional stamp for such certification.

The stamp tax upon protests should be added to the expenses thereof.

All dividends or coupons, payable *prior* to or on September 1st, 1862 although paid after that day, are exempt from the operations of the law.

Checks dated or payable ahead, are subject to taxation as promissory notes.

Stamps are not required upon documents made prior to October 1st, 1862, excepting upon foreign bills of exchange, which must be stamped on acceptance.

The Committee recommend, as a simple and convenient method, that the three per cent tax required upon dividends and surplus profits be deducted by banks in gross from their net earnings before the declaration of dividends. Dividends then declared would be free from tax. The three per cent thus withheld must be paid to the United States within thirty days from the date on which such dividends are payable, under penalty of five hundred dollars for default. (Sec. 82.)

Stamps must be affixed to all documents by the party issuing the same, before presentation at Bank; and all documents issued by a Bank must be stamped by it before delivery, as required by resolution unanimously passed at a meeting of Bank Officers, September 15.

Stamps, in amounts of $50 and over, can be obtained of the Commissioner of Internal Revenue, as per Schedule hereunto annexed, for which a commission of not exceeding fiver per cent, *in stamps*, will be allowed.

All checks of a Bank upon itself, for payment of dividends or otherwise, and all written papers for facilitating the *internal* business of Banks, are exempt from tax.

Orders to pay dividends are not Powers of Attorney; but, like drafts at sight, are subject to the stamp of two cents.

Bills of Exchange, drawn in duplicate, must both be stamped.

Stamps may be canceled by an instrument made for the purpose of impressing the initials of the Bank or person thereon, to which the date must be added.

Revenue stamps may be ordered from this office in quantities to suit

The omission to cancel the stamps on checks does not invalidate the checks, but subjects the maker to a fine of fifty dollars.

Washington, September 25, 1862.

I have examined the foregoing memoranda, and I am of opinion that the specifications conform to the provisions of the Excise Law in allessential particulars.

GEO. S. BOUTWELL, *Com. of Internal Revenue.*

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Until the government provide stamps no penalty will be exacted for their omission.

OFFICE OF INTERNAL REVENUE, }
Sevtember 17th. }

Revenue Stamps may be ordered from this Office in quantities to suit the purchasers. Orders should cover remittances of Treasury notes, or an original certificate of a United States Assistant Treasurer, or designated depositary, of a deposit made for the purchase of stamps.

The following commission, *payable in stamps*, will be allowed:

On purchases of $50 or more, two per centum.
On purchases of $100 or more, three per centum.
On purchases of $500 or more, four per centum.
On purchases of $1,000 or more, five per centum.

In sending orders for stamps it should be remembered that every stamp expresses upon its face its kind as well as its denomination, and that each stamp must be used for the purpose thus specified, and for no other. For instance: Check stamps must be used for checks alone; contract stamps only on contracts, etc., etc. Revenue stamps will be ready for delivery on the 22d instant. Every correspondent is requested to give the State, as well as town and county, of his residence.

If not otherwise instructed, the stamps will be transmitted by mail.

GEORGE S. BOUTWELL, *Commissioner.*

On motion of Mr. HAYDEN, the following resolutions were unanimously adopted, viz.:

Resolved, That the report of the Committee be accepted and adopted, and the Committee discharged.

Resolved, That the thanks of this meeting be presented to the Committee for the faithful discharge of their arduous labors.

The following resolution was also adopted unanimously, viz.:

Resolved, That, *until* the government provide stamps for checks, it is understood that the written agreement entered into between the banks, on the 15th of September, 1862, be considered extended, and that a copy of this resolution be sent to every bank which has signed that agreement and their written assent to this resolution requested, and that the Chairman of the Clearing-house Committee be authorized to notify the banks when that agreement becomes binding.

On motion of Mr. BERRY, it was ordered that the report of the Committee be printed, for the use of the banks and the information of their correspondents.

The meeting then adjourned.

GEORGE D. LYMAN, *Secretary.*

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JOURNAL OF MERCANTILE LAW.

1. Promissory Note Payable on Demand. 2. A Question of "Commercial Morality." 3. Statute of Frauds. 4. No More Sailors Deserting at San Francisco. 5. Promissory Notes Made in Kentucky and Payable in New York.

PROMISSORY NOTE PAYABLE ON DEMAND.

An indorser on a note payable on demand with interest; remains liable until an actual demand is made even though several years may elapse before such demand is made.

An interesting case has been decided lately by the Court of Appeals of the State of New York, (Mooretr *vs.* Todd, 23 N. Y. Reports 28,) settling, so far as this State is concerned, the vexed question of how long the holder of a note payable on demand *with interest* can omit to protest the note and still be able to hold the indorser. It is well known that the payment of an ordinary note must be demanded when due, and protest must be served without delay—that is due diligence must be used in performing the act. Thus in the language of the books, notice of the dishonor of the bill or note must be given within a reasonahle time. When parties reside in the same town or city, this reasonable time is held not to extend beyond the next day after the obligation is due and presentment for payment has been made. When they reside in different towns or cities and the notice is sent by post, it must be mailed early enough for transmission on the day following the dishonor. These are legal propositions well known to all.

It would seem, therefore, that in applying such familiar principles to a note payable on demand, that the only point necessary to decide would be, *when may we consider such a note to be due.* If it is due at once when given, why should not the demand for payment be made and the protest served at once, that is, within a reasonable time? That such a note is thus due the day it is given has been many times decided by our courts, and whether demand is made or not the statute of limitation begins to run from the date of the note. (Wenman *vs.* Mohawk Insurance Co., 13 Wend. 267). We would naturally conclude, therefoere, that as the note is due immediately, the demand should be made and protest served immediately. Such has been the conclusion in many States.

But in the case above referred to, our Court of Appeals has held that a note payable on demand *with interest* is a continuing security; *an indorser remains liable until an actual demand is made, even if the holders were to wait several years before making the demand.* In the action decided, for instance, the note was dated May 5, 1852, and the demand was not made until the 24th of December, 1855. We produce an extract from the opinion of the Court to show the grounds of its decision, and it will be seen from it that a very proper distinction is made between demand notes payable with and without interest. The Court says:

"A demand note may be payable with or without interest. If the security be *not* on interest, it may be a fair exposition of the contract to hold that no time of credit is contemplated by the indorser, and that the de-

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mand should be made as quickly as the law will require upon a check or sight-draft. Such a note, payable at a bank where the maker keeps his funds, will perform essentially the office of a check, imposing the duty of early presentment in order to hold the collateral parties. Drafts or checks are, however, almost universally used in such transactions. But, whatever may be the rule where the security is not on interest, we think that a note payable on demand with interest is a continuing security, from which none of the parties are discharged until it is dishonored by an actuel presentment and a refusal to pay. The loan or forbearance of money may be for a definite or an indefinite time. If the parties declare in the written instrument, which is the only evidence of their agreement, that the money shall he paid on call, with interest in the meantime, a productive investment of the sum for some period of time is plainly intended. What, then, is that period? The only answer which can be given is, that it is indefinite or indeterminate, and ascertainable only by an actual call for the money; and if that be the meaning of the principal parties, the indorser must be deemed to lend his name to the contract with the same intention. The only rational alternative is, that the payee or holder of such a note must demand its payment on the same day, or the day after, he receives it, unless some necessity or convenience of his own will excuse no longer delay; and he must give immediate notice of the refusal to the indorser. But a demand thus quickly made would probably, in every case, violate the actual intention of the parties, and it ought not, therefore, to be required as a rule of law for any collateral purpose. It should not be required in order to charge an indorser, if the act would not be consistent with the fair interpretation of the principal contract. In short, we see no good reason why a note, like the one now in question, should not be construed precisely according to its terms; and if we follow that construction, auch instruments are not dishonored by the mere effluxion of time which is provided for in their own language."

It should be mentioned as a further fact in this case, that interest on the note was paid regularly each year.

STATUTE OF FRAUDS.

THE WORDS "FOR VALUE RECEIVED" IN A GUARANTY OF A PROMISSORY NOTE, ARE A SUFFICIENT EXPRESSION OF THE CONSIDERATION.

On page 582, vol. 45, of the *Merchants' Magazine*, we made some remarks upon the provision of the Statute of Frauds requiring a promise to answer for the debt of another person, to be in *writing*, and to have a *consideration* to support it. A guaranty is an engagement of this nature, and must therefore be right in these particulars. Of course, as we stated in the article here referred to, where the promise is an *original* undertaking—or where the original debt and the guaranty are contemporaneous, no other consideration is necessary, than that which moves between the creditor and the original debtor. But if a promise of guaranty be made in respect to a debt which is already incurred, it will be void for want of consideration, unless there be some new consideration to support it. These points, however, we do not propose to notice farther, as they were fully discussed in the former article.

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Yet there is one other important particular which must be remembered. Not only must the *guaranty* be in *writing*, and have a consideration to support it, but the *consideration* itself must be stated in writing. This construction—that is, that the consideration as well as the promise of guaranty must be in writing—has been given to the Statute of Frauds in England, and has been adopted in New York, New Hampshire, South Carolina, and some other States, but we believe that Massachusetts, Maine, New Jersey, North Carolina, and Connecticut have adopted the opposite construction, and require that only the promise of guaranty, and not the consideration, need be set forth in the writing.

We now have, however, a decision of the Court of Appeals of New York State, (MILLER *vs.* COOK 22, N. Y. Reports 495,) expressly deciding that where the words "for value received" are in the written guaranty, they amount to a sufficient expression of the consideration. That is, it is not necessary even in New York to state in the writing *what* the consideration is, but to set out that there is one, by inserting the words "for value received." This point has been one of some doubt heretofore, (although we have several adjudications upon it,) but we are glad that it has now been deffinitly decided by our court of last resort.

NO MORE SAILORS DESERTING AT SAN FRANCISCO.

The San Francisco *Bulletin*, of a late date, tells us that "When the clipper ship Rambler arrived some time ago from Boston, some seventeen or eighteen of the sailors deserted, but three of them were arrested and are still in custody. Captain CARLTON of that ship drew a pistol on one of the runners who was inducing the sailors to run away, and he was arrested for assault with a deadly weapon, but upon hearing the facts, Judge COWLES decided that he had a right to use such means to detain his men, who had shipped for an eighteen months' voyage, or from Boston to San Francisco and back. Some of the sailors then wanted to libel the ship for their pay, but United States Commissioner CHEVERS, before whom the case was brought, gave them no satisfaction, deciding that they, as deserters, were entitled to no pay. Then they brought the matter before Justice CARMAN'S Court, in another shape, but failing here, they again tried to libel the ship for wages, this time going before United States Commissioner HYDE. Again they were unsuccessful, and as a last resort, the three deserters who were arrested petitioned Judge REYNOLDS for a writ of *habeas corpus*, which was granted, and they were present in the 4th District Court room when the matter was argued and submitted by counsel. Judge REYNOLDS has now remanded them to custody. This, we believe, is the first case of the kind that has been brought before our courts in so many shapes, and so toughly contested. The result will be beneficial to the interests of commerce, for the owners of ships are averse to sending their vessels hither, on account of the certainty of losing their men by desertion, which involves both loss of time in getting new ones, and loss of money- The owner of the Rambler, for instance, loses many thousands of dollars by the desertion of the crew, who were employed in Boston for $12 per month, and whom he will have to replace (with the exception of three) with men who will charge $30 or $35 per month."

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A QUESTION OF "COMMERCIAL MORALITY."

The case of Behrens and others *vs.* Allen has been heard in one of the English courts. It was an action to recover damages for two libels published in the *Manchester Guardian*, and the defendant in addition to "not guilty," pleaded that the alleged libels were true in substance and in fact.

Mr. SERJEANT SHEE, Mr. EDWARD JAMES, Mr. POPE, and Mr. BUTLEE RIGBY, appeared for the plaintiffs; and Mr. BOVILL, Mr. HAWKINS, and Mr. J. A. RUSSELL were for the defendant.

The case for the plaintiffs was, that they were merchants and commission agents, in business at Bradford and at Manchester, and the firm consisted of four brothers, who were natives of Hamburg, but who had been established for twenty-nine years at Bradford, and twenty-two years at Manchester. They were in the habit of sending silk, linen, and cotton goods to all parts of the world, and their annual returns were about £400,000. Messrs. DALTON BROTHERS were the sons of a gentleman who was formerly in business very extensively as a printer of cotton goods, but who had retired, and was supposed to possess great wealth. The course of the trade of the sons was to purchase gray cloths, and to get them bleached and printed according to their own designs. In June, 1860, the firm became DALTONS & HEAP, and their credit was untarnished until they failed for £78,000. An examination took place in the Bankruptcy Court, and on the 17th of October, 1861, there appeared in the *Manchester Guardian* the first libel now complained of. [The article referred to statements made in the Bankruptcy Court that the bankrupts had bought gray cloth goods, and sold them a few days afterwards at a considerable reduction to Messrs. BEHRENS, and after stating the circumstances, said—"Such is the disclosure to which we wish to call attention as having been made in these proceedings. It exhibits no isolated case in making a 'good bargain,' such as necessity on one side and ready money on the other often bring about, without leaving any reflection on the parties, but points to a regular and systematic course of transactions which, though probably beyond the reach of the criminal law, were clearly inconsistent with honest trading. We have a firm of colico printers purchasing gray cloths on credit, and selling them at a loss for cash, and we have an agent always ready to accommodate them by purchasing. The question may yet be raised whether the latter cannot be made to restore the goods obtained in this way from a house evidently on the high road to bankruptcy; but it is plain enough that it was his instrumentality which allowed the rotton business to go on. And just as the Fagins of a lower rank in the social scale are justly visited with severer reprobation than the artful dodgers whom they train and encourage, so here we conceive the commercial community may properly show its blame of the practices acknowledged by the Messrs. BEHRENS. Can it not, we should ask, find some practical means of giving expression to its displeasure? The Jockey Club can exclude a black sheep from Newmarket, and we believe some of the societies of London merchants, holding their exchanges at the various coffee-houses, can keep their places of resort free from company they do not like. May not their example be imitated with advantage to the respectability of the Manchester Exchange? We only throw out the suggestion as offering one method of punishing offences against the ordinary rules of trade such as those we have been here con-

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sidering."] After this publication the plaintiffs offered their books for examination by Mr. WILLIAMS, who wrote commercial articles for the paper, upon the condition that if he was satisfied that the transactions were correct, the editor should state this, and express regret for his error. The offer was not accepted, but Mr. BEHRENS was told that any letter he wrote in explanation would be inserted in the paper; and he did in fact write two letters which were published in the paper. The plaintiffs also offered to have the circumstances investigated by the Chamber of Commerce, and they further advertised, complaining of the false and calumnious charge made against them, and challenging investigation. Another meeting took place in bankruptcy, and on the 24th October the second libel was published. [This consisted of a comment upon the later circumstances, and the writer, in substance adhered to what he had said before, refusing to retract or apologise, and said that the plaintiffs might appeal to the law.]

A vast mass of evidence was laid before the jury, principally upon the question whether there was or not any impropriety in the dealings of the plaintiffs with Messrs. DALTON & HEAP, and the case occupied three entire days.

The jury, after considering the matter for a short time, found a verdict for the plaintiffs, damages £1000—thus pronouncing the dealings proper. Such may be English "commercial morality," but we believe the American article is judged by a higher standard.

PROMISSORY NOTES MADE IN KENTUCKY AND PAYABLE IN NEW YORK.

We have received from a correspondent at Lousville, the following note of an important decision made there. (MUHLING *vs.* LATTLER, &c., 111 METCALF'S Rep,)

Suit was brought on a writing in the form of a promissory note, drawn by the defendant, payable to the order of himself, and by him endorsed to plaintiffs. The writing was executed in this State, but is made payable and negotiable at the office of plaintiffs in the city of New York. Chief Justice STILES held, that the note or writing does not, of itself, impose any legal liability upon the makers in this State; it is not negotiable paper, and has none of the attributes of a bill of exchange. The utmost effect that can be given to it is, to admit it as evidence of previous indebtedness of the maker and endorser to the endorsee, when executed with the intent of binding the maker for the payment of such previous indebtedness and on account thereof. And, not then, unless it was averred that it was thus executed and delivered.

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MERCANTILE MISCELLANIES.

1. An East Indian Coal Mine. 2. French Coal. 3. The Secret Power of the British Nation.

AN EAST INDIAN COAL MINE.

Dr. Samuel Lilly, Consul-General to India, has written a letter, descriptive of a coal mine which he visited, to his friends in the United States. The mines are in the Raneegunge coal field, which is tapped by the East India Railway, and in which, in 1860, there were 49 collieries in operation, the joint production whereof was 305,682 tons.

The following is a portion of the letter referred to above:

Calcutta, March 14, 1862.

"During my trip I visited the Bengal Company's coal mines at Raneegunge, some 180 miles northwest of this. The region is a hilly one, washed, or rather drained in the wet season by streams which are now nearly or quite dry. The surface is barren, except in the wet season, when, by securing the water in pools, some rice and a few vegetables are raised. The overlooking rock at the mines is a micaceous sandstone and quite soft. The opening I visited has been worked a number of years, and is entered by 130 steps cut in the rock, the overlying portion of which was taken off; in other words, instead of going down a tunnel or slope, as in your region in a car, we walked down an open staircase. The vein worked is about seven feet thick; the coal is bituminous in character, but no skill or science has as yet been able to coke it. The coal is hauled from the breasts, say where now worked, some three-fourths of a mile in a hand-car, and hoisted up in baskets perpendicularly by gins turned by women, or drawn up by steam by a chain working over a pully and cylinder to the surface, when it is placed in railroad cars to be sent to market. The mines are perfectly dry, and even dusty. A gang of miners consists of ten persons, a portion of whom are women. These gangs mine 100 maunds each on an average. A maund is 80lbs. The miners work with bar and wedges, no powder being used. A very smart active miner will sometimes earn eight annas per diem, but many do not average more than one-fourth that sum, so that the pay is from six to twenty-four cents per diem for each person. All these are natives of course; and I am told by the superintendent, a very intelligent man, that it is impossible to introduce any improvements in mining. There are a number of collieries worked in this country, but the one I visited is almost the only one which pays dividends to the stockholders. This coal is used for steam and culinary purposes, and is sold in California for five to seven annas per pound, whilst English coals sell for nine annas.

I am told that some mines in the eastern portion of Bengal yield a coal similar to the Welsh semi-anthracite, but there being no facilities for getting it to market, save the uncertain one of rivers, which are nearly dry a large portion of the year, it does not pay to work them. Railways are being constructed and the country opened up, so that it is thought in a few years they will be brought into profitable use and the English coals driven entirely from the market. Iron, copper, &c., abound in some

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regions, but as there is no limestone in convenient proximity, and the coals not being cokeable (I invent a term), they are not worked to advantage. All these defects are being remedied, and it is believed that a bright future is open to various metalurgic operations in India.

The railways are constructed very substantially and at great cost. The East India Railway which extends some 1,000 miles N. W. from here, is to be a portion of the line connecting Calcutta and Bombay. It is now open to Monghyr, 304 miles. I went to that place. The country through which it passes is a vast plain, traversed by some streams which are from one-half to one and one-half mile wide in the rains. The most of the masonry and the ballast of the road is formed of bricks. Near Monghyr there is an upheave of nearly pure flint rocks which crosses the plain; it is some 300 feet in height, and, as it is very abrupt in its margins, the road traverses it by a tunnel 900 feet in length. I did not learn the cost of making the tunnel, but I did learn that two or three sets of contractors were ruined by it, and the Company finished it themselves. The engines and carriages are all in the English style, the former being built in England; all the material for the track is imported from there, to even the cross-ties and chairs."

FRENCH COAL.

For many years the belief in France was that French coal was totally unsuitable for the steam engines of vessels, and in consequence, English alone was employed. But latterly the discovery has been made that the French coal can be employed to advantage, and the probability accordingly is that the English will be set aside. In a recent number of a newspaper of Lorient is this paragraph:—"French coal has completely replaced English in the Imperial navy. Our port receives every day considerable supplies from the mines of Loire; they are brought to Lorient by canals and rivers. Thus the problem which has been so long discussed as to the supply of the navy has been solved to the advantage of French coal, which can now, with some modification in the apparatus for burning, be substituted in all circumstances for the fuel which heretofore we have brought from England."

THE SECRET POWER OF THE BRITISH NATION.

One of the representatives of the continental press at the International Exhibition, after wondering where the secret power of the British nation lies, traces it to their ravenous stomachs: "Deprive," says he, "an Englishman of his strong appetite, that enables him to digest bleeding meat or highly-spiced rounds of beef, and you deprive him of all incentive to action, if he be of Saxon race, for the descendants of the Normans are yet greedy of power. He does not care for society—he has no ambition to please—his indifference to glory is so great as to become contemptuous, and he scorns the artistic French and Italians as *dillettanti*, so insensible is he to the fine arts. He is without a spice of gallantry in his composition, for the most beautiful women in the world are grossly neglected for the club, the billiard-room, or the ring. Hunger is his great stimulant to activity, and appetite pushes on this extraordinary people to execute the most gigantic enterprises.

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THE BOOK TRADE.

The Tariff Question Considered in regard to the Policy of England and the interests of the United States; with statistical and comparative tables. By ERASTUS B. BIGELOW. LITTLE, BROWN & Co., Boston. D. APPLETON & Co., 443 Broadway, New York.

In these times of great excitement, when the "On to Richmond" furor absorbs so large a share of our dreams, both sleeping and waking, books with modest titles are not apt to receive proper attention. The author of this work, however, is so widely known as a skilful and successful inventor, and so well fitted by his own experience to discuss in an intelligent manner subjects affecting our manufacturing interests, that we trust an exception will be made in his favor. In regard to the general topic of free trade and protective tariffs, one would be inclined to think that little new could be said, and yet Mr. BIGELOW throws about his subject great interest, and backs up his arguments by elaborate and well prepared tables. The present, too, is a time when these questions are invested with additional importance, by reason of the late chauges made in our revenue laws, and the peculiar position of our country. But we do not propose here to discuss these matters. We would refer our readers to this book for much that is interesting and valuable, whether they agree with the conclusions reached or not.

We subjoin the following, taken from the author's introductory notice, which will explain more fully the object and scope of the work:

"The vast and various commerce of Great Britain, and our own intimate relations with that commerce; the general tone of British statesmen and of the British press in reference to the commercial regulations of other countries; the zeal and pertenacity with which the free trade maxims and example of that great nation are commended to our adoption and imitation, not only by Englishmen, but by many among ourselves—all unite to give especial interest and importance to the policy of England in regard to the Tariff Question. To understand that policy, we must study its history, and learn in what circumstances and by what necessities it has been modified and developed. To ascertain how far and in what particulars the political and commercial economy of Great Britain can be safely taken as a guide to that of the United States, we must know and be able to compare the actual condition of the two countries in respect to their agriculture, manufactures, commerce, industry, and finance.

"To aid in such an investigation, and to furnish the basis of safe inference and argument, I have put into tabular form, in an appendix, the most important facts in the case. These tables are, for the most part, not mere copies or abstracts, but the result of labored and careful selection, comparison, and combination."

They present, it is believed, a mass of valuable statistics, essential to a right understanding of the Tariff Question, and nowhere else to be found in so accessible a form.

Rifle Shots at Past and Passing Events. A Poem in Three Cantos. Being Hits at Time on the Wing. By an Inhabitant of the Comet of 1861. Philadelphia: T. B. PETERSON & BROTHERS. Price twenty-five cents.

A thoroughly mysterious volume as to origin, but supposed by competent judges from the manner of shooting and failure to hit, to emanate from one of the deceased sportsmen of the Pickwick Club, possibly from the lamented Winkle himself. The

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lifelong proclivity to bag game has been developed, by the extended opportunities of a freed spirit, into a wider ambition, still hampered however, as upon earth, with the most desperate luck.

The Channings. A Domestic Novel of Real Life. By Mrs. Henry Wood. Author of "The Earl's Heirs," "East Lynne," &c., &c. Philadelphia: T. B. Peterson & Brothers. Price, fifty cents.

We had occasion in one of our late numbers very briefly to mention "The Channings." A better acquaintance with the book, however, proves it worthy of a better notice, and we are always glad to render justice to merit of any kind. Hitherto we have not been especially pleased with Mrs. Wood's productions; while they contained much that was attractive they failed to awake any particular sympathy or approval. People who have never been murdered, poisoned or clandestinely married themselves, and who have no intimate friends who have suffered in that way, can hardly be expected to appreciate fictions founded solely upon these mild errors and their results. "The Channings" is of an altogether different stamp, and is decidedly superior to all of the other works of this authoress which we have yet seen. The plot is a quiet story of probabilities; the style agreeable and sprightly, and the moral excellent without being dull. Many of the characters are very good, especially Arthur, the Jenkinses, and Roland Yorke, and the boys are thorough boys, and not stuffed roundabouts. A few more books like the "Channings" would deprive Mrs. Wood of the somewhat equivocal title of a sensation novelist, and would win her a wider and higher name.

1. *The Yellow Mask: or the Ghost in the Ball-Room.* By Wilkie Collins. Author of "The Woman in White," "The Dead Secret," &c. &c. Philadelphia: T. B. Peterson & Brothers. Price, twenty-five cents.

2. *Sister Rose: or the Ominous Marriage.* By the Same. Price, twenty-five cents.

3. *The Stolen Mask: or the Mysterious Cash Box.* By the Same. Price, twenty-five cents.

The scenes of these three new books of Wilkie Collins, are laid in widely different localities. "The Yellow Mask" is a little Italian intrigue with a few dashes of priestcraft and artist life. "Sister Rose" is a story of the days of the French Revolution, and painful as all such stories must be in a greater or less degree. "The Stolen Mask" is a tale of simple English life, hearty and genial, and in our judgment by far the most agreeable of the three.

New American Cyclopedia: A Popular Dictionary of General Knowledge. Edited by George Ripley and Charles A. Dana. Vol. Fifteenth. Spiritualism—Uzziah. New York: D. Appleton & Co., 443 & 445 Broadway. London: 16 Little Britain. 1862.

A new volume of the Cyclopedia invariably receives our cordial welcome and close attention, because it is invariably worthy of it. The present one contains among many others, articles upon Steam, Stammering, Stereoscopes and Fort Sumter, upon the Telegraph, Telescopes, Thermometer, and Tides, besides innumerable biographical notices of eminent persons. Conspicuous among the latter are those of Madame de Stael, the two Stevensons, Sterne, Steele, Swedenborg, Swift, Talleyrand, Tasso, Thierry, Thorwaldsen, Titeall, De Toqueville, Turenne and Turner. As many of the best writers of the country are engaged upon this work, it is hardly necessary to add, that all the articles, embracing as they do, nearly every department of human knowledge, are treated in a scholarly and able manner.

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THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

Established July, 1839.

EDITED BY

WILLIAM B. DANA.

VOLUME XLVII. OCTOBER, 1862. NUMBER IV.

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