



Eng^d by W. G. Macdonald

Very truly Yours
Mass Taylor

Eng^d expressly for Hunt's Merchants Magazine.

THE
MERCHANTS' MAGAZINE
AND
COMMERCIAL REVIEW.

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MOSES TAYLOR.

IN continuing our sketches of those prominent merchants of New York whose lives and characters fitly exemplify the honorable traits of the class to which they belong, and whose careers afford to the young aspirant after mercantile wealth and honors, examples for imitation and encouragement, we have chosen for our subject this month a man who, in many respects, stands foremost among the active and intelligent business men of this community, and the lesson of whose life is full of interest and instruction.

MOSES TAYLOR was born in this city on 11th January, 1806, and is, consequently, now in the fifty-ninth year of his age. He is descended, in the third generation, from an Englishman of the same name, who emigrated to this country from London in 1736. The love of city life, which is so marked and predominant a characteristic in the subject of our notice, was peculiar also to his great grandfather, and the latter, upon his arrival here from England, influenced as it would seem by personal predilections which were stronger than his national tendency toward a rural life, adopted New York city as his place of residence. In a copy of the *New York Gazette*, published in 1750, now before us, his place of business, which was also his place of residence, is advertised to have been "the corner house opposite the Fly Market." In 1751 he removed to Old Slip, but a few months afterwards he returned to his former locality, in which, pursuing with diligence an honest calling, he continued to remain during the residue of his life. It is, to say the least, somewhat remarkable that in this city, noted for the instability which characterizes as well its families as its material concerns, where one generation scarcely ever leaves any distinctive mark which connects it with another; where an all pervading spirit of changeableness obliterates the landmarks of former times, recent as well as remote; and everything that is old is sacrificed to anything that is new—it is, we say, somewhat remarkable, in a city where such influences prevail, that, a century after the eldest MOSES TAYLOR carried on his business at the "corner house opposite the Fly Market," a lineal descendant of his, of the same name, should, in the third generation from him, be carrying on his business within a stone's

throw of the same locality, and by the practice of the same virtues which his ancestors possessed—by stability, persistency, directness, energy, intelligence, honesty, uprightness—have achieved a success so great, and established a character so untarnished, as to be recognised by all who know him, as one of the most distinguished of that body of high toned men who have given to the merchants of New York their world-wide renown.

The youngest son of the eldest MOSES TAYLOR was the grandfather of our subject, and was born in this city in 1739. From middle life his manhood was passed in the troublous times of the revolution; and, upon the occupation of the city by the British forces, he removed with his family into New Jersey, where for a considerable period of time he continued to reside. That this removal was distasteful to him, and that he undertook it unwillingly, as conflicting with those preferences for a city life which he in common with all of his lineage seems to have entertained, indubitable evidence exists. But with him the obligations of duty were paramount to all considerations of personal comfort, and he was impelled to make the change from the desire of saving his children, some of whom were daughters, from the contaminating influences inseparable from the presence of the British soldiery here. The gew-gaws and frippery, the dissipation and idleness, as well as the grosser vices which crop out from an army of occupation, were abhorrent to his sturdy and straightforward nature, and he was determined that, so far as depended upon him, none of these taints should fall upon his family. During this residence in New Jersey, the father of Mr. TAYLOR was born. He was named JACOB B. TAYLOR, and, true to the predominant instinct which has indicated itself in each succeeding generation of his family, he cast his lot in the city, and spent his entire life there. Many persons now living remember Mr. JACOB B. TAYLOR. His spare and erect figure, his grave but open countenance, were as well known in the walks of business as the excellent qualities of his character were appreciated there. He was distinguished through life for his entire faithfulness, his scrupulous honesty, his unswerving truthfulness, and his untiring activity. Whatever he did was done conscientiously, whatever he asserted was absolute verity, and his zeal and industry were such that, it may be truly said of him, that, in whatever he undertook, he knew no such word as fail. These qualities attracted, as was natural, the notice and respect of the community in which he lived; and for many successive years, during a period when civic distinctions were conferred upon our worthiest and not upon our basest citizens; when such men as HONE, and IRELAND, and ALLEN, and others of equal eminence, sat in the city councils, he was Alderman of the Ninth and Fifteenth Wards. A reference to the records of those days will show with what fidelity he discharged his public trusts, and how well in him appeared

“The constant service of the antique world
When service sweat for duty, not for meed.”

It is no wonder, then, that Mr. TAYLOR feels, as he does, an honest pride in his progenitors; and that the inheritance of a good name, which he has received from them, is esteemed by him as of more worth than untold material riches. Indeed a good name is one of the most valuable of earthly possessions. It endures. To him who has it, it is rightfully a

perpetual source of commendable pride and grateful pleasure. It mingles with his blood and character, and infuses into his nature such honor and dignity as are derivable from no other source. The possession of wealth may bring him who has it into prominent and public notice; and, whilst it lasts, may hold him there; but if it be unaccompanied by a good name, or worse, if it be associated with a bad one, the prominence which it produces becomes the bane of life, for the finger of scorn is harder to endure than the humblest obscurity. Take heed then, ye struggling aspirants after wealth and fame! If you would really enjoy, in full measure, the rewards of a successful life, keep your hands clean and your honor undefiled: preserve a good name, lest it turn out that the riches which you acquire, however great they may be, become ashes in your grasp, and that the prominence which you attain to, serves only to render you a more conspicuous object of public detestation and contempt.

The house in which Mr. TAYLOR was born stood at the corner of Broadway and Morris Street, and here he passed his earlier childhood; but in 1813 his father removed his residence to a house in Broadway, nearly opposite to what is now the New York Hotel, and continued to reside there until long after his son had taken his departure from the paternal roof. Doubtless the remoteness of this residence from the compact portion of the city—for it was then quite out of town—was the occasion of a habit which is still conspicuous in Mr. TAYLOR, and to the constant practice of which, during half a century, his vigorous health, notwithstanding his exhausting labors, is mainly to be attributed. We refer to his invariable habit of using his own legs for the purposes of locomotion. That practice has made him perfect in this respect may be readily seen by any one who will observe him, even at this day, as with quick and elastic step he darts through the crowds of Wall and South Streets; and is often experienced by some stiffer limbed acquaintance, who believes in omnibuses, but who sometimes vainly endeavors to accompany him in his daily walk down or up Broadway. The schools which he successively attended, during his boyhood, were those of PICKETT in Chamber Street, FORREST & SLOCUM in Church Street, and KELLOGG in Thames Street, and, as these were all nearly two miles distant from his father's house, and as his undeviating custom was to go to and return from them on foot, the habit of rapid walking, which he still keeps up, was then commenced. His school days were marked by the same energy and punctuality which characterized his subsequent life: he was never a truant; he shirked no duty; he left no work unperformed; but was ever prompt in his attendance, diligent in his studies, and faithful and thorough in the work which was imposed upon him at school. Although the character of his mind is practical rather than reflective, and exercises itself with the methods by which practical results are educed, rather than with speculations upon any mere abstract subjects, yet he possesses so vigorous an understanding that there is no reason to doubt that if his inclinations had led him toward the paths of scholarship, he would have attained to the same distinction in them as he has gained in the course of life which he actually pursued. But either his own choice, or those other potent influences which exercise a directing control over the purposes of men, determined that he should be a merchant and not a bookworm; and accordingly, at the age of fifteen, with such an education as the training of a common school affords to a boy of that age, he threw aside his satchel, abandoned the sports of boy-

hood, and, bidding adieu to his school mates, entered at once upon the serious business of his life.

At first he entered the house of J. D. BROWN, but he remained there but a short time, and then became a clerk in the mercantile establishment of MESSRS G. G. & S. HOWLAND. At this time, and indeed during the whole period in which Mr. TAYLOR remained in their service, the Messrs HOWLANDS were engaged in a very extensive and varied foreign commerce. Their correspondence and business relations extended to every part of the world; and the head of the house, Mr. GARDINER G. HOWLAND, a very energetic and intelligent merchant, was ever ready to enter upon new fields of commercial enterprise. They owned and employed many vessels, which sailed upon every sea and visited every shore. Freightened with assorted cargoes, made up of every variety of domestic and foreign article, they went forth upon their distant voyages and returned laden with the products of the countries which they had visited. To all parts of Europe, to India, China, the Mediterranean, to the West Indies, South America, the West Coast, to every quarter of the globe in fact, to which American enterprise had pushed its commerce, these mercantile adventures were carried; and the system of credits prevailing in those days, both in reference to the purchase of outward cargoes and to the payment of duties upon importations, helped to enlarge and amplify them, so that their scope was only equalled by their variety. It was in such a field young TAYLOR set to work. His industry and intelligence soon attracted the notice of his employers. Always cheerful, ready and zealous, quick, active and vigilant, it was perceived that he brought to the performance of his duties not only that steady application to the routine and details of business which is the common requisite of a good clerk, but that, beyond these, he comprehended the bearing and significance of the thing in hand, and was ever prompt to anticipate and prepare for the succeeding step. It followed, of course, that he had a great deal to do, for labor and responsibility will always be thrown upon those shoulders which are best able to bear them. But he did not object to this. The more work he had to do, the more diligence and industry he displayed; and he was never better pleased with himself than when he had successfully accomplished an onerous and burdensome task. Those young gentlemen who, now in their noviciate, are seeking to enter the road which leads to fortune, may learn a useful lesson from this example. Young TAYLOR, whilst he was a clerk, did not clamor for privileges or immunities or relief from toil; he was not intent upon amusement or relaxation or personal pleasures of any kind; nor did an additional burden fill him with dismay; but, feeling his employers interests to be his own, he diligently and faithfully promoted them so far as depended upon him, at what expenditure of labor or strength soever, and he stands to-day among the richest and most respected of the merchants of New York!

As he rapidly passed through the various gradations of counting-house promotion, new spheres of duty and activity were opened to him, and additional demands were made upon his energetic and indefatigable powers; yet his quickness of apprehension, and his steady determination to be always "ahead of his work," rendered him equal to these demands. Indeed nothing gratified him more than to be able, as he most always was, to reply to his employers suggestion of work to be performed, "It is done, Sir."

At the present time, the commerce of New York has attained to such vast proportions, that each particular branch of it constitutes, in many instances, a separate business of itself, and many of its operations and details are turned over to brokers and other agents who make them the objects of their special occupation. It is difficult, therefore, for the young gentlemen, who now pass a few hours a day in a counting-house, to realize the extent and variety of labor which, at the time when Mr. TAYLOR was a clerk, had to be performed by their predecessors. Each house had then to depend upon its own force and facilities for the performance of every thing which its business required, and the post of custom-house clerk, shipping clerk or salesman, in an establishment like that of the Messrs HOWLANDS, was no sinecure. The separate entry, under the old complicated system of duties, so as to admit of their ready disposal at home or under debenture, of cargoes embracing every variety of foreign product, invoiced in every variety of currency; the sale of these products; the purchase of outward cargoes in every detail of assortment; their re-packing for convenient carriage, lading invoicing, insuring, &c., these and other details, now in a great measure entrusted to outside agents, involved an amount of labor of which a clerk of the present day can have no adequate idea; and yet they constituted a portion only of the every day duty of Mr. TAYLOR whilst he was with the Messrs HOWLANDS. It is not to be wondered, then, that the candle upon his desk was often burning beyond the time of night when the bells of old Trinity struck the "shutting up" hour of ten o'clock. The day was devoted to out-door work—to vessel, wharf, custom-house and market. The night was employed in recording what had been accomplished during the day, and in the necessary preparations for the morrow.

Notwithstanding these severe demands upon his industry, he yet found time to test the value of his mercantile education, by methods which not only confirmed the lessons that he had learned, but which also afforded some remuneration for the diligent faithfulness that he had bestowed upon them. With the concurrence of his employers, he frequently engaged in small adventures upon his own account. Guided by his own judgment, he would make up consignments, which he would entrust, under instructions, to the captains and supercargoes voyaging for the house (with whom he was always a favorite), and these, sold by them, and their proceeds invested in foreign products, frequently yielded him a double profit. Indeed so much judgment and foresight were displayed in these operations, and their details were so carefully and judiciously managed, that they may fairly be said to have been the forerunners of his subsequent mercantile success. They yielded him the capital which enabled him afterwards to enter upon his larger sphere of business on his own account. Always exact and orderly, he opened, at this early day, a set of books in which all of these adventures were recorded by "double entry." A friend who has seen these accounts informs us that they are models of neatness and accuracy; and we know that their owner regards them with especial pride, as he justly may, for they are the first records of a career, then commenced, which has been throughout its whole course honorable and successful.

With such preparation, and after such experience, Mr. TAYLOR arrived at that period of life when, so far as he was concerned, its business and affairs were to be carried on by him upon his own responsibility, and for

his own benefit. His salary as clerk had always been small, but the adventures which he had undertaken, whilst he was in that capacity, had yielded him altogether fifteen thousand dollars; and, with this sum as his capital, and the respect and good wishes of his employers, and the confidence and esteem of all who knew him, he, in 1832, at the age of twenty six, set up in business upon his own account. The good reputation which, as a clerk, he had established in the walks of business, and the general respect entertained by all classes of people with whom he had been thrown in contact, for his admirable traits of character, raised up for him many friends, and gave him from the first a good credit in the community. But as he was singularly self-reliant, and felt that whatever of success was in store for him must be wrought out by his own energies and by the employment of his own unaided powers, he was careful not to avail himself of the extraneous facilities which were within his reach, and he kept his credit good by never using it.

Although he "put up a sign" temporarily over the store 55 South Street, his really first place of business was at 44 South Street, which his house still occupies. That portion of South Street seems to have had peculiar attractions for him, and, indeed, for those also who came under his influence—for, as he once remarked to some friends, five of his clerks who were, at the same time, in his employ, and who, without a single failure, had had eminent success in different lines of business, were then established within one hundred feet on either side of his store. Here, then, his mercantile life began, and here it will probably terminate. So far as external circumstances were concerned, the beginning did not seem to be an auspicious one, for the cholera was then raging in New York, and was exercising its depressing influence upon human affairs. Death, not the concerns of life, seemed to occupy the thoughts of men. But Mr. TAYLOR was nevertheless not deterred, by this circumstance, from carrying his plans into execution; and he entered upon his business with so much energy and diligence, so much capacity and judgment, that it almost immediately developed a successful issue. It had, however, been just fairly put under prosperous headway, when, in the devastating fire of December, 1835, his store with all its contents was destroyed; involving him, as he then supposed, in the loss of all that he possessed. On his way home, after a night of exhausting toil, in which he had been able to save little besides his books of accounts, he met his father, to whom he stated the apprehension that he was ruined. "Never mind, Moses," said the sturdy Alderman, "you have good health, try it again." "I will, Sir," said the son; and dispelling all feeling of despondency, which was ever unnatural to him, the same day saw him at work again. He opened an office immediately in the basement of his house in Morris Street, and, soon afterwards, securing temporary accommodations in Broad Street, this terrible disaster, which created so great a disturbance of all of the business concerns of the city, can hardly be said to have produced any serious interruption of his affairs. The difficulties of his condition merely served to call forth, in a greater degree, an exercise of the powers which were necessary to overcome them; and the result was, as it always will be with those strong and determined characters who do not permit themselves to be subdued by circumstances, that the ruin which threatened him was entirely avoided. It turned out that a greater sum was realized from his fire policies than he had hoped to obtain upon them; but, apart

from this, he, with his usual foresight and quick decision, immediately entered upon adventures and made importations to supply deficiencies in the market which the fire had occasioned, and the profits resulting from these judicious operations more than counterbalanced the losses which he had sustained. He was a man who not only struck the iron when it was hot, but, when need required, he struck it until it became hot. As a characteristic circumstance, showing his energy and promptness, it may be mentioned that the very day after the fire, whilst the ruins of his store were yet aglow with its smouldering combustion, he went to his landlord, Mr. JOHN G. COSTER, and made arrangements for its reconstruction; and the building, now standing on 44 South Street, was among the first to arise out of the ruins of the great conflagration. Upon its completion Mr. TAYLOR entered it again, and afterwards became its owner, and ever since he has carried on his mercantile business there. His main field of enterprise as a merchant was the trade with Cuba. He was also, at one period of his career, a considerable ship owner, and extensively engaged in that branch of commerce; besides which he carried on other important mercantile operations, but these were all subsidiary to the business to which he principally devoted himself. As we have said, his main field was the Cuba trade, and in that his mercantile reputation was principally acquired. Upon this he concentrated his remarkable powers, and the great success to which he attained, and the wide reputation which he established for mercantile capacity and honor, attest the diligence and faithfulness with which he devoted himself to his pursuits. No man in the walks of business has a higher standing in the community, or is more respected abroad. He is universally regarded with absolute confidence and trust; and the mercantile house which he founded stands to-day, as it has ever stood, a witness and exponent of his great mercantile ability and his excellent personal character.

The subject of finance was one with which, in his business experience, he had of course become practically familiar, and the controlling principles of which he thoroughly understood; and if there be any thing which, more than another, evinces by unmistakable manifestations, the straightforward truthfulness of Mr. TAYLOR's character, it is his views upon this subject. Great financiers, so called, are not unfrequently great tricksters, whose main purpose is to make something out of nothing; who, sharp and unscrupulous, exert their powers in spinning meshes which entrap the unwary and involve them in destruction. Intricacy and double dealing, secrecy and indirection, are essential concomitants of their plans of action, and nothing so disconcerts them as openness and truth. But Mr. TAYLOR's ideas of finance are as simple as they are just. They rest upon the substance and not the shadow of things. Whilst no man can, with more acuteness, detect and expose what is fallacious in financial pretence, so no man can, with more effectiveness, unfold and execute a sound financial scheme. If he approve it, it must be sound; for, before approving it, he examines the basis upon which it rests, and he knows that, however specious appearances may be, there can actually be no substantial or enduring superstructure upon any other than a solid foundation. It is because of his soundness of judgment upon this subject, and the unswerving integrity of his character, that he exercises so controlling an influence, as he does, in the management of the various corporations with which he is connected. As a director, as a member of executive committees, as a

faithful and discreet adviser, his wisdom and sagacity have always been recognised in this field of his operations. Indeed, general confidence in him is so thoroughly established that the mere association of his name with any enterprise gives it a good reputation, and stamps it, at once, with public favor.

In 1855, Mr. TAYLOR was appointed to the Presidency of the City Bank, an office which he has ever since filled with great credit to himself, and great benefit to that institution, as well as to the public at large; and there is nothing invidious in the remark, that under his Presidency and his directing influence, the affairs of that Bank have been so managed that, not only in its ordinary relations to the public, but also through every commercial vicissitude which has since happened, it has, in public estimation, stood second to none other in the community for financial ability and strength.

As an evidence of its high standing in public confidence, a significant fact may be stated. During the great panic of 1857, when ruin swept over the commercial world, and confidence in all of the established safeguards of property seemed to have been obliterated, and fear, suspicion and apprehension took complete possession of the mind of the business community; at this time, whilst the ever to be remembered "run" was being made upon the Banks, a meeting of the Presidents of those institutions was held for the purpose of taking counsel together as to the best means of providing against the storm in which they were involved. At this meeting, upon the enquiry being made how each of the Banks had been affected by the day's operations, it appeared that many of them had lost from fifty to ninety per cent of their specie reserve; but when the City Bank was called upon for information as to its condition, Mr. TAYLOR was able to answer, "We had \$400,000 this morning; we have \$480,000 to-night."

So far as Mr. TAYLOR's connection with the financial concerns of the city has brought him into relations with the public, or the government, his conduct has always been characterised by unselfishness, on the one hand, and by patriotism on the other. In the midst of a panic his intrepidity evinces itself. It is too obvious a personal trait to suffer him to yield either to actual or imaginary dangers; and both his actions and his words are, at such times, invariably those of encouragement and cheer.

In the Clearing-House Association, and in the meetings of Bank officers, his judgment and sagacity have been relied upon, and he has always been prominent in the advocacy and advancement of all measures involving the common interests of the community and the Banks. The breadth of his views, and the soundness of his quick and intuitive judgment, have commanded the confidence and respect of his associates, and they have awarded to him a prominent position in their councils. He has been distinguished from the very commencement of the unhappy war in which the country is now engaged, as an earnest advocate of every measure for the aid and support of the Government by the Banks, to the extent of their ability. In political faith a democrat, in financial ideas a "hard money" man, yet having entire faith in the resources of the country, actuated by patriotic motives, he, subordinating his personal predilections to the wishes of the government, has from the first been strongly in favor of all of the public loans by the banks; and has, with singular assiduity, devoted his time and attention, not only to obtaining such loans, but to

the arrangement of the details and the fulfilment of the vast engagements resulting from them.

To this great work Mr. TAYLOR, as Chairman of the Loan Committee of the Associated Banks, gratuitously devoted a large portion of his valuable time for more than a year, during which, securities amounting to upwards of two hundred million dollars were entrusted to the Committee. All of these vast and complicated transactions were brought to a conclusion satisfactory to the parties concerned, and to their mutual advantage. It may, we think, be truly said that by the confidence shewn by the Banks in the loan to the Government, negotiated in July, 1861,—the darkest period of the war, and when from no other source could means have been obtained,—the country was relieved from a condition of difficulty and peril as great as it ever encountered; and very much, and well-deserved credit has been awarded to the Banks of this city for the patriotic service then rendered. To the influence of no one man was this bold measure more largely due than to that of Mr. TAYLOR.

Space will not permit us to dwell longer upon his career as a bank officer. It is sufficient to say that the same indomitable energy, perseverance, integrity and ability which have made him one of our first merchants have also made him one of our most useful and honored bankers; and it is doubtless true, that in no sphere of his active life has he rendered greater or more permanent public service than in that capacity.

The bravery and energy which Mr. TAYLOR displayed during the panic of 1857, both in his own affairs and in the concerns of others, will long be remembered by those who had occasion to witness them. Although his own obligations were somewhat extended, on account of his foreign correspondents, for whom he held large quantities of goods, which, for their sakes, he was unwilling to sacrifice, and the demands which the requirements of his own business made upon him were a sufficient tax upon his capacity and strength; yet, even then, he was not unmindful of the burdens which pressed upon his weaker friends. Indeed, throughout those days of peril and consternation, he stood the central figure of a group of men who leaned upon him for support; and how manfully and efficiently he, at this time, responded to the appeals which they made to his kindness and magnanimity, can be best told by them. The interposition of his strong arm saved many of them from utter ruin, and established claims upon their gratitude which will last as long as life endures.

After Mr. TAYLOR's fortune had, by the regular prosecution of his mercantile pursuits, attained to such a magnitude that a large surplus remained over what was amply sufficient, as a capital for his house, his energetic nature sought other fields of enterprise and usefulness, and he became largely interested in various directions in the development of the mineral and industrial wealth of the country. The great results which he has accomplished in these enterprises, both of benefit to himself and to the communities where they have been carried on, are due to the same qualities which rendered his mercantile career so brilliant and prosperous a one. His clear perceptions and sound judgment guided him in the selection of the field of operations, and his wonderful energy was employed in its development. At an early day, when the Wyoming Valley lay in agricultural repose, and the mineral treasures of its hills were undisturbed in their natural depositories, he, from personal investigations, was con-

vinced of the value and importance of the project of connecting it, by a railroad communication, directly with New York. He became, therefore, one of a small band of enterprising men, who combined for the purpose of carrying this project into effect. It was a great and difficult undertaking, but their indefatigable zeal was equal to it. The work was finally completed under the combined efforts which were made towards its consummation, and it has, at last, yielded the ample reward which they anticipated from it. But for them, it would, probably, have been long delayed, if it would not have been entirely abandoned. They, however, were convinced of its importance, and determined that it should be accomplished; and that must, indeed, be no ordinary obstacle which would not have yielded to their determined will. The panting locomotive, whose shrill whistle now awakens the echoes of the Wyoming Valley, seems, as it struggles along with its burden of mineral wealth toward the seaboard, to typify the strength and energy, and to illustrate the wisdom and forecast, of these sagacious men.

We have thus given a brief outline of Mr. TAYLOR's career. It has not been practicable, in the limits which we have imposed upon ourselves, to enter into details, or to particularize the many and important operations in which, from time to time, he has been engaged. Nor does the purpose which we have had in view render it desirable that we should have done so; indeed, as he is still, with undiminished vigor, actively engaged in the pursuits of life, the proprieties incidental to the subject, impose a restraint upon us in this respect. Besides, we think that the lesson of his life may be as well conveyed in the general form in which we have presented it. If we have succeeded in what we have undertaken, it will show that extraneous aids are not essential to the greatest success in business life; that inherited wealth, or favorable circumstances, or the assistance of friends, are, really, unnecessary helps in the road to fortune; and that innate qualities of mind and character, are, after all, the most effective instrumentalities in overcoming the many obstacles that beset the path of the man of business.

Mr. TAYLOR is, emphatically, a self-made man. What he has achieved has been done by the exercise of his own unaided powers; but he laid the foundation of his business life so broad and deep, that what has been accomplished in it seems to have resulted, naturally, from what was done at its commencement. He started upon his career with a good name—justice and truth, honor and uprightness—these he inherited, and these he never sacrificed. To these he added energies so invincible, and an industry so untiring, that the requirements of labor always found him equal to its demands. His energy and industry are prominent characteristics, even at the present day. They are indicated in every movement of his body, and in almost every tone of his voice. Still active and unbroken, his quick walk, gestures, and other bodily motions, and the rapidity of his enunciation, show the strong impulses by which he is impelled. But his impulses are not unguided. His bright intelligence, his clear and active mind, are the compass and rudder whose suggestions he always needs, and by which he pursues his way along the voyage of life. Although the operations of his mind are rapid, they are not superficial. Besides a wonderful insight, which leads him to penetrate the real motives and characters of men, through the mists and obscurity that frequently envelop them, he possesses that rare mental quality which enables him to reason

rapidly and to reason well. It has been remarked of him that "his deductions are always sound, and his judgments are always just;" and the correctness of this observation finds its warrant in the substantial elements of his character. Of great simplicity, free from all ostentation of superiority, habitually subjecting himself to what is right and true, his mental processes are, almost necessarily, the operations of an unperverted mind; and his conclusions are just because *he* is so.

Our notice of Mr. TAYLOR would be incomplete without some reference to his kindness and generosity. Prosperity has not hardened him, nor made him selfish, nor rendered him indifferent to the claims of friendship or the impulses of benevolence and humanity. Throughout his whole mercantile life he has been, especially, an efficient helper of young men. His course, in this respect, has been marked by many noble and generous deeds. It is not his idea to sympathise with the idle or the shiftless—these he leaves to suffer the natural consequences of their folly or vice. He will not help those who make no effort to help themselves. But to the deserving, as well as to the really unfortunate, he readily lends a helping hand and a sympathising interest. To his friends he has ever been a pillar of strength; and many an industrious young man, who has attracted his notice, and many others who have had claims upon his regard, have reason to be grateful for the generous and efficient way in which it is habitual with him to fulfil the obligations of friendship.

CONQUEST OF MEXICO BY FRANCE.

T. M. J.

To follow the course of a semi-enlightened nation through its various revolutions; to narrate the success of one political party, which has worked and fought its way to the possession of a temporary power; to tell the story of its overthrow, and the establishment on its ruins of a like temporary authority, vested in the hands of its enemies, is but a thankless and uninteresting task. Where is there one who would take the trouble to write, or one who would be sufficiently interested to read, such an account. The alternate elevation and depression of each seem alike unproductive of good, and we turn away with feelings of weariness and disgust from a detail of merely petty squabbles, childish jealousies, and absurd ambition. It is only when the contending parties are fighting for the establishment of some principle of essential importance to the well-being of the people at large, on the success or failure of which vital interests are depending, that a fair claim is made to the attention of enlightened minds, or to the dignified name of History.

The course of events in Mexico, for a long period, was not such as to excite much interest in the civilized world. Its past splendor, as the magnificent Empire of Montezuma, the romantic story of its conquest by Cortez, were insufficient to make up for the barrenness of the present. In the narrative of current events, who paused to peruse that portion which related to Mexico? The merest trifle of home or foreign intelligence was more attractive. But now the aspect of things is suddenly changed. What is trans-

piring there has assumed an importance second only to what is passing in our own country. Why is this? Why are we at once aroused from a state of almost absolute indifference, to one of keen and lively interest? It would no doubt be highly gratifying to be able to impute it to a generous desire for the advancement of a people, who, by their position as neighbors, and by their condition of progressive development, are so entitled to our good offices. But the truth is too self-evident to be glossed over by anything so flattering. It is self-interest,—the effect the revolution may have upon ourselves—which has so touched the feelings of the American public. And indeed the consequences may be serious enough to justify this extreme change of feeling, and properly excite our liveliest apprehensions.

It is not one of the least deplorable results of our unhappy difficulties, that the Mexican Republic should have been exposed to the dangers, which now threaten it. It is certainly not too much to say, acknowledged as it is even by foreign journalists, that the present attack upon Mexico would never have been made, had the United States been in the same condition, to repel European encroachment, as it was a few years ago. With an ally so powerful, Mexico could successfully have resisted all attempts at coercion, which should go to the length of interference with the internal government, and gained time to pay off the money obligations, which have served as an excuse for the present intervention.

Out of the seven and a half million of people who live in Mexico, only about one million belong to the pure white race. The rest are either the descendants of the ancient Aztecs or belong to the motley crowd of the half breed population. The whites, however, although numerically inferior to either of the others, have always managed to hold the reins of government. They have allied themselves now to one now to the other, making each by turn the stepping stone to power. They make no scruple, when it suits their purpose, of leaving the side by which they have gained, and of making friends of their former enemies and enemies of their former friends. Thus at one time we see them on terms of the closest intimacy with the Indian. He is admitted into their councils, and is invested with a show of power, which he is allowed to retain, as long as he is necessary and useful; but no sooner is the necessity over than he is deserted by his former friend, who joins the half breed and uses him in the same way as occasion serves.

So it is that the Spaniard has retained his power in Mexico. By means of a superior mental capacity, which has been misused to the annihilation of all civil liberty, the Indian and the half breed have been trampled in the dust, even when aiding the advancement of their foe. We may now, however, hope that a new era has arrived in the history of the Mexican Republic—when the Indian, learning wisdom by past experience, will refuse any longer to be the dupe of his wily adversary, but will seize and hold that power to which he is so justly entitled.

BENITO JUAREZ, the present President of Mexico, is an Indian, and has done more than any one else to raise his country, and emancipate it from the controlling Spanish influence. He belongs to the powerful tribe of the Zapatecos, and was born in the year 1807, near the town of Istlan, in the state of Oajaca. His parents were poor, and he obtained his education only through the charity of a rich family, which he entered in the capacity of a servant. By its patronage he was enabled to prosecute the study of the law, and, taking a high stand in his profession, was soon a magistrate, then a chief justice, and afterwards a member of the legislative assembly.

In all the unfortunate contests and disturbances, which have during his career harassed his country, JUAREZ has uniformly adhered to the liberal principles which he early in life adopted. On account of this adherence to principle, if for nothing else, we should trust his honesty; while the fact that he belongs to a despised and down-trodden race, and yet has raised himself to the highest position which his country could bestow, leaves no doubt with regard to ability.

In 1846 he was elected a deputy to the Congress of the Republic. This was the period when the war with the United States broke out. To provide means to carry it on, the great wealth of the clergy was laid under contribution, and his support of that measure was probably one cause of their hostility against him. In 1852 he acted as governor of his native state, Oajaca; and he availed himself of this period, which was one of tranquility, to set on foot important internal improvements. He built roads, increased the number of the national schools, and, although there was, when he assumed the position, a deficiency in the budget of Oajaca, yet, on his resignation, he left a considerable sum in the public treasury. But his liberal principles made him obnoxious to SANTA ANNA, the Dictator, and he was exiled in 1853. He went to Havana, and afterwards to New Orleans, where he resided till the spring of 1855. He then returned to Mexico and joined the Indian General ALVAREZ, who had made so successful a head against SANTA ANNA as to have secured the control of several provinces. An assembly of these provinces having elected ALVAREZ provisional President of the Republic, JUAREZ was appointed his minister of justice. In this position he was the means of bringing about the abolition of the privileges of the clergy and the army, thus adding another to his list of offences against the former of these powerful bodies, and showing his determination to carry out his liberal principles even in opposition to such mighty foes. At the retirement of ALVAREZ, JUAREZ also resigned his office, but was subsequently re-appointed governor of Oajaca by COMONFORT, the successor of ALVAREZ. Some changes occurring, owing to the introduction of the new constitution of 1857, he was made successively Secretary of State and President of the Supreme Court of Justice.

When, however, COMONFORT was overthrown by ZULUAGA, JUAREZ became President of the Republic, in accordance with the requirements of the constitution. He refused to surrender his just right at the bidding of a revolutionary leader, and, although expelled from the capital by the superior force of his enemies, still kept up his government in the city of Vera Cruz. Thus this country, long torn by opposing factions, suddenly found itself possessed of two governments, and under the control of two hostile chiefs. The former, to which MIRAMON succeeded, supported itself on plunder, forced loans, and the blessings of the clergy, (enjoying, at the same time, the more solid support of their immense temporal treasures;) the latter, using the largest port of the country as their capital, derived a more legitimate revenue from the customs. Each party, indeed, claimed to be actuated by principle. The first boasted itself the champion of the church, the second of liberality. The vain vaunt of the one was a cloak to conceal ambition, while the power of the other was overthrown by the French, before it was tested in the crucible of time. The government of JUAREZ, however, was the only one, giving any promise of stability and uprightness, which had appeared for years. Whenever he had held power his efforts had been to restore order, uphold good faith, and advance civil liberty, and

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those efforts have not been entirely in vain. His conduct with regard to the famous JECKER loan clearly shows both his willingness to uphold the good faith of his country, and also his determination never to submit to any unjust imposition. This JECKER loan, of which there has been so much talk, is probably as rascally a piece of business as ever disgraced a respectable house. A short time before MIRAMON was overthrown by JUAREZ, his government being in want of money, as it always was, and not very particular as to the way of procuring it, borrowed of the Swiss house of JECKER & Co., in Mexico, the sum of \$750,000, and gave them bonds to the amount of \$15,000,000. We do not know what the idea of the MIRAMON government was, which led it to borrow \$750,000 and promise to pay \$15,000,000, unless they knew that they would have no money to pay with, or foresaw that their day was near its end, and somebody else would have to foot the bill. At any rate MIRAMON was soon overthrown, and JAUREZ came into power. Shortly after this revolution, M. JECKER, who was under French protection, called upon the President, and suggesting the propriety of having their little account settled, begged JAUREZ to accommodate him with the trifle (fifteen millions of dollars) which he claimed was owed him by the Mexican government; but JAUREZ, unable to discern the propriety of acceding to this very modest request, refused to accommodate the banker. If, however, Sir CHARLES WYKE, the English minister to Mexico, was rightly informed, JUAREZ recognized the principle, that he had succeeded to the debts as well as to the benefits of rule. He granted that foreign powers knew nothing of the different parties, but only of the Mexican government; and, consequently, while he repudiated the idea that he was liable for the \$15,000,000, he was nevertheless willing to pay the \$750,000, with 5 per cent interest. Nothing short of the full amount, however, would satisfy M. JECKER, who went away in a huff, and vowed vengeance. Such is the famous, or, more properly speaking, infamous, JECKER loan. The conduct of JAUREZ cannot, we think, be regarded as otherwise than creditable to his administration; especially when we consider that the money was borrowed and used by his enemies: by the very men he had just overthrown. We know of no other government that would, under similar circumstances, make as liberal an offer, unless compelled.

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But France had other claims against Mexico; at least she so insists, although she has never specified them. The fact, however, that JULES FAVRE and his colleagues, who had always opposed the Mexican war, and were regarded, in some degree, as aiders and abettors of JUAREZ and General ORTEGA, were returned as representatives to the legislative assembly, by an overwhelming majority, showed that the people of Paris did not consider the claims of France against Mexico a sufficient *casus belli*. France, moreover, was not the only country that had claims against Mexico. We also held Mexican bonds to quite a large amount. Spain too had cause of complaint, and the pecuniary obligations of Mexico to Great Britain were probably greater than those of France and Spain together.

But while we uphold the cause of President JUAREZ, we do not affirm that his government was unexceptionable, or that he did everything he could to establish peace and satisfy all just and lawful demands. We do not mean to affirm that as soon as he came into power he brought order, by a kind of magic, out of the political chaos, which had preceded him. Doubtless there were many things that might have been improved. He had not been in power very long, and perhaps did not do all he could even

during the short time that he had been. But still there was a step in the right direction. All the foreign ministers residing in Mexico agree that the existence of law and justice had put an end to the daily murders and other acts of atrocity, which had previously been committed. "Progress has been made," writes our own representative. "The signs of regeneration, though few, are still visible. Had the present liberal party enough of money at command to pay an army of ten thousand men, I am satisfied it could suppress the present opposition, restore order, and preserve internal peace."

Let us see now what the exact position of Mexico was, with regard to her foreign creditors, and what was her disposition and ability to discharge her obligations.

The intervention in Mexico by England, France and Spain was professedly, at least, to satisfy the claims of their people holding Mexican bonds. They could not, indeed, interfere in the affair at all, as long as it remained a money question merely between a Mexican and a British, French, or Spanish subject. But when the money, deposited for safe keeping in the house of the British legation, had been stolen; and when the Mexican government had agreed to appropriate a certain per centage of its customs, to pay what were known as the British, Spanish and French convention debts, then the matter was raised from a personal to an international obligation, and became one in which the different governments could justly interfere. The plan adopted would doubtless have satisfied foreign claimants, if it had been strictly carried out; but really it came to little. The government of Mexico acted in such a way as to excite the suspicion that it did not mean to do as it promised, and would not unless compelled. In July, 1861, however, things came to a crisis. It was then that the Mexican Congress adopted the resolution of taking all the revenue of the country under its own control, and of suspending the payment of the British, French and Spanish convention debts. This immediately created a disturbance. The French minister demanded his papers; the English entered his protestation. Sir CHARLES WYKE told the JUAREZ government that it had committed an unpardonable breach of faith, and the Congress had very generously given away what did not at all belong to it. The fact was that the government was sorely in want of money, and was trying every possible expedient to get it. But although this might have been taken into the account by foreign governments, it did not force itself very heavily upon the minds of the merchants and the stock brokers. The former class of these *nunquam non parati*, (where there is money to be had,) who hailed from Great Britain, were pressing upon Sir CHARLES WYKE and begging him to get their money for them in some way, they were not very particular how. Both of them in London were addressing Earl RUSSELL upon the same (to them most important) subject. The honorable Secretary of Foreign Affairs refused, however, to acknowledge the principle that the government was in honor bound to collect debts; but acknowledged that, in the present instance, force might be used to demand a prompt and satisfactory payment.

Diplomatic intercourse had now ceased to exist between England, France and Spain on the one hand, and Mexico on the other. The Republic had not satisfied its creditors; and nothing remained for them to do, but to step in and help themselves. This was certainly legal, and in some respects just and proper. But when we take into consideration the condition Mexico was in, and the efforts she was making to advance to a better state of things, we cannot but think that she might have met with a little more indulgence

from the three allied powers. Nevertheless they had the power to do it, and do it they would. If they could not get their money by asking for it, they must seize a port and appropriate the customs. They had a right, that is, to help themselves to the extent of their just due, and nothing more. Many of the claims put forward doubtless were just, and many were ridiculous. To demand \$15,000,000 for \$750,000 which had been loaned, and to hold the JUAREZ government responsible, while his enemies were recognized as being in power, (both of which the French did,) was sheer nonsense. As we had claims against Mexico, we were invited to take part in the expedition; but it is not our custom to form alliances with European powers, and we respectfully declined. Our government, however, kept a watchful eye on the expedition, especially on the doings of France. We could not object that foreign nations should collect, by force if necessary, money due to their subjects; but we could object, if they endeavored to interfere in the internal affairs of Mexico, and take control of the country. Accordingly, Mr. DAYTON endeavored to find out from M. THOUVENAL, whether there were any other motives, which influenced the French, besides the realization of their money debt. He received the assurance that that was their sole object. Mr. SEWARD also wrote a letter to Mr. DAYTON, in which he asked, whether the forces sent against Mexico by the three powers were "likely to be attended with a revolution in that country, which will bring in a monarchical government there, in which the crown will be assumed by some foreign prince." This was touching the tender point. M. THOUVENAL heard the dispatch read and replied, "that France could only reassure us of her purpose not to interfere in any way with the internal government of Mexico." Such might indeed have been the purpose of France, but such was not the purpose of the Emperor NAPOLEON. Long before M. THOUVENAL made this unconditional reply, the Emperor had offered the crown to the Austrian Archduke, and ALMONTE had openly boasted of it in the streets of Paris. As we are not lawyers we fail to recognize those nice little distinctions, which shield such diplomacy from the charge of direct and open falsehood; but as it was intended to convey, and succeeded in conveying, to Mr. DAYTON an entirely false idea, we do not hesitate to affirm that it looked very much like it.

Previous to this, however, a convention met in London, and the representatives, on behalf of the three powers, signed the treaty of alliance. The treaty, after stating in a few words the reason for their combined action, declared, that the high contracting parties are to make arrangements at once to despatch sufficient naval and military force, to seize and occupy the fortresses on the Mexican coast. The second article contained these highly significant words:—"The high contracting parties engage not to seek for themselves, in the employment of the coercive measures contemplated by the present convention, any acquisition of territory, nor any special advantage, and not to exercise, in the internal affairs of Mexico, any influence of a nature to prejudice the right of the Mexican nation to choose and constitute freely the form of its government." Of what value must we regard the treaties and compacts of nations, when we find the Emperor of the French, in the face of this most solemn assurance, using force to overthrow the Mexican Republic and to change it into a monarchy?

The expedition, however, had now sailed. The French and Spanish squadrons were to meet at Havana and proceed to Cape St. Antonio, the western extremity of Cuba. Here they were to meet the English vessels,

under the command of Admiral Sir A. MILNE. Owing, however, to some misunderstanding, the Spanish part of the expedition did not wait, but, sailing over to Vera Cruz, easily took possession of the city. The English and French soon arrived, and the country lay at their mercy. The British force consisted of only one line-of-battle ship and two frigates, with seven hundred supernumerary marines. The French was much larger, numbering about two thousand five hundred men; and that of Spain amounted to six thousand. This gave the Emperor an excuse for sending out a reinforcement of three thousand soldiers, which he did, on the ground that the French force should not be inferior to the Spanish.

But the allies did not agree very well from the very first. The English were displeased because reinforcements were sent from France. They suspected some designs on the part of the Emperor, different from those that were acknowledged, and M. THOUVENAL had to give almost daily assurances to the contrary. France did not like it, because Spain had gone off alone and seized the port of Vera Cruz. She knew she was not sincere herself, and could not believe her companions were. There was a general feeling of distrust, and they began to watch each others actions for the hidden, selfish object to reveal itself. They had, however, reached their destination and taken possession of the principal Mexican port, and the next thing that suggested itself was,—What were they to do there? This was an important question, and one which required grave consideration. So the representatives of the high contracting powers got their heads together and hit upon an exceedingly Yankee device. They issued a proclamation! They would let the Mexicans know what they came to do, and what they meant to do, and then they would wait, like Mr. MICAWBER, for something to turn up. The proclamation contained just what we might suppose it would contain. It told the Mexicans that the allies had come among them as friends; that they did not intend to do any harm, and all they wanted was that the Mexicans should establish peace and order among themselves and be true to their obligations. So the proclamation was published, and read by some people and not read by others, and that was the end of it.

Then they began to put forward their money claims. First, the French demanded \$15,000,000, on account of the JECCKER loan. Then they wanted \$12,000,000 additional, which they said was about the aggregate of what was owed them by Mexico. The various items they did not appear to trouble themselves about, but as Count de SALIGNY, the French plenipotentiary, had not looked into the claims, and said it would require a year to do so, they appeared to think it would save a great deal of inconvenience and much valuable time to take that amount and call it square. Of course the English and Spanish did not uphold such absurd nonsense as this. They were vexed with the French for demanding it, and saw, not only on account of this demand, but on account of other acts of the French, that there was to be trouble in the future. The revolutionists, living in the French camp and under French protection, began to issue proclamations to the people, to overthrow the JAUREZ government. They openly boasted that the Emperor of the French had sent them to do so. Some of them were men of the most desperate character; some of them the most dastardly ruffians of the civil war. But when MIRAMON, the ex-President, arrived in the country, the English declared that they would arrest him as the robber who plundered the British Legation, and compelled the French to send him back to Cuba. The conduct of the

French, in protecting these outlaws, had the effect of exciting among the Mexicans the suspicion that the allies intended something more than they professed. Indeed it could not be otherwise. Professions were constantly being made, that the three powers did not intend to interfere in the internal affairs of Mexico; and yet the very men who had just been banished from the country as rebels and traitors, were protected by the French flag, and vaunted openly that the Emperor had sent them to overturn the Mexican government. Such acts, of course, entirely nullified all the assurances that England and Spain could make. These two powers doubtless were sincere. They had gone to Mexico simply to demand payment of their debts. They did not want war, and what they said was doubtless true. France had made them her tools to start the expedition well, that she might carry out her underhand designs, and they had not penetration enough to perceive it. Still they were with the French, and must be judged by the company they kept. It was useless for them to make professions of friendship, so long as ALMONTE and his clique were issuing inflammatory proclamations from their ally's camp. Sir CHARLES WYKE and General PRIM, the Spanish commander and plenipotentiary, remonstrated against these proceedings, but it had no effect upon the actions of the French.

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It was necessary, however, that something should be done. Either the difficulty must be settled amicably, or war must ensue. General PRIM accordingly held a conference with General DOBLADO, President JUAREZ's Minister for Foreign Affairs, and it was agreed that a further conference should take place at Orizaba, on the 15th of April, 1862. In the meanwhile, the Mexican government was to be recognized by the allies, and the allies in turn were to be allowed to occupy certain more healthful localities, which should be surrendered in case the negotiations failed. These arrangements of General PRIM were approved of by the English and Spanish Governments, but the French would not hear of it. They were afraid that even the faint shadow of a ground for complaint, which they now had, would be removed; and as they wanted war, and were determined to have war, and nothing but war at any price, they commenced to invent all sorts of excuses. They said that there was no use of any more talk, that they had suffered so many fresh grievances (which, by the way, they were very careful not to specify), that they were sure the Mexicans did not wish to satisfy them, and they thought the best thing to be done was to march at once on the capital. Sir CHARLES WYKE and General PRIM, however, would not agree to this. They told Count de SALIGNY that if such was to be the policy of France, if she still continued to harbor the conspirators, and refused to treat with the Mexican government, and acted in a manner so decidedly bellicose, they would be compelled to break up the alliance and leave the French alone to do as they saw fit. And as the French gave no intimation that they intended to turn from past evil ways, the English and Spaniards weighed anchor and departed from Mexico, without having obtained money enough to pay the cost of the expedition. So ended this famous triple alliance. England and Spain had undoubtedly been made the dupes of France. The Emperor wanted the expedition to be well started, and when he had gained his object and felt himself prepared to go on alone, he gave his friends the cold shoulder, and took the reins entirely in his own hands.

The French army now prepared for war. Its commander, General

LORENCEZ, by way of opening the campaign in a correct and dignified way, followed the example of his illustrious predecessors, and issued his proclamation. And a fiery proclamation it was. He told the Mexicans that he had come amongst them, not to take part in their difficulties, but to settle them. That war was to be made on the government, not on the people. That the people deserved better things than they had received, and France intended they should have them. The government was to be overthrown, but the people must join him; which of course they did with the alacrity of a boa-constructor that has just swallowed a buffalo. Notwithstanding the wholesale enthusiasm with which the Mexicans flocked to the standard of France, and sought the protection of the tri-color, General ZARAGOZA found himself at the head of quite a powerful force. Withdrawing his troops from Orizaba, he hastened to occupy Puebla, where he fortified himself, and awaited the coming of his enemy. The French occupied Orizaba, and then pressed on to Puebla, where they expected an easy victory. Indeed they thought that the inhabitants of that city would welcome them, as deliverers from a cruel oppression; that the Mexican damsels, encouraged by their elderly matrons, would shower down roses upon their heads, and testify their joy in every conceivable way. But they found they were mistaken. Somehow the thorns on the roses were sharper than they imagined they would be, and the perfume was not so fragrant as that which they had been accustomed to inhale in the sunny land of France. Instead of joyful crowds of the inhabitants hastening to meet them with colors waving and drums beating, they were greeted by two grim, gaunt, ugly looking forts placed directly in their way, and informing them, in a very intelligible dialect, that there was no admittance there except on business. Instead of the merry cheer of the delighted populace, they heard the low booming of the heavy ordnance, which warned them to keep at a respectful distance.

So General LORENCEZ saw that the place would have to be taken by storm, and he accordingly made preparations for the attack. The French went bravely to their work, but they met with an obstinate resistance. The Mexicans were as much in earnest as their enemies. The battle lasted all day, and, when evening came, the French had been driven back, and were compelled to retreat. Indeed they had been totally defeated. The two forts of Guadalupe and San Loretto, which defended the town, still held out against them, and they were forced to retire to Orizaba. This was very unpleasant tidings to be received by a people ambitious of military glory. But there was no help for it. The French people began to understand, that the Mexican war was not quite the holiday festival, which they had imagined it would be. They began to recognize the fact, that roses were not as plenty in Mexico as bayonets, and the people knew how and were determined to use the latter. Still General LORENCEZ tried to smooth it over the best way he could. He represented that his soldiers had been very brave, as doubtless they had been, and, when surrounded by overwhelming numbers, had cut their way through in a very handsome style. The last part of his report we give in his own words, as it shows what his expectations were with regard to a friendly reception. After giving an account of the battle, and what he had been compelled to do, he sums up as follows: "Such was, *Monsieur le Marechal*, my situation before Puebla, the town most hostile to JUAREZ, according to persons in whose opinion I considered myself bound to trust, and who formally as-

sured me, according to information, which they were in a position to obtain, that I should be received there with transport, and that my soldiers should enter the town covered with flowers."

But the French were not discouraged by their first failure. They must try again. So General FOREY was sent out with reinforcements, which swelled the number of troops to 30,000 men. General FOREY was doubtless the man for the place. He acted with great energy. He immediately advanced against Puebla and took it about a year after LORENCEZ's defeat. The obstinacy with which Puebla was defended does not need recital here. We read but yesterday how inch by inch the Mexicans opposed the progress of their enemies; how they made barricades in the streets and covered the ground with their dead. They turned their houses into forts, and, rather than surrender, blew them up and perished beneath the ruins. The French fought with great bravery. Their ranks, thinned by the deadly fire of the Mexicans, were immediately filled up, and on they still came. Those houses which they were unable to take they blew up, inmates, defenders, and all. They fought as if everything depended on success, and successful they would be—and indeed they were so. Puebla was taken after a most heroic defence; but with the fall of Puebla fell the hope of Mexico. That was the great strategic point, and now that it was gone, there was no other where they could hope to offer much resistance.

The rest is easily told. General FOREY immediately followed up his victory, and occupied the capital. In the city of Mexico there was a large church party, who received him cordially; and this fact was exaggerated by the French papers, not only into acquiescence on the part of the Mexican people in French rule, but even into a general rejoicing on account of the overthrow of their government, and the destruction of their country's independence. General FOREY of course did not believe any such stuff. It did very well to humbug the French people, but a different account was sent to the French government. The Emperor was distinctly informed of the truth; how that one column had been sent here, and another there, to keep down the threatened insurrection. But still the capital was taken, and there were fetes and balls, and all that sort of thing. The French found it very pleasant, and the Mexicans were delighted that there was to be no more war. So the French officers made themselves as agreeable to the Mexican ladies as difference of dialect would permit; and they danced with the pretty girls and did the polite thing generally.

While all this was going on, and people had their heads turned by gait and excitement, General FOREY called a council of notables together. By a unanimous vote it declared that the Roman Catholic was henceforth to be the religion of Mexico, and the country was to be changed into a monarchy, and the Archduke MAXIMILLAN of Austria was to be requested to fill the the vacant throne. If it had declared that the Archduke *had been* requested, it would have been a little more correct. Nevertheless, he was now invited by the *unanimous* voice of the people; that is, by the voice of the council of notables, made unanimous by 30,000 French bayonets.

Such is the history of the French intervention in Mexico, an intervention undertaken for conquest and carried out by treachery. The Emperor has steadily adhered to, and, temporarily at least, accomplished his purpose. He has overthrown the Mexican government,

and established one which he likes better. He has destroyed Mexico as an independent country, and turned it into a French province. He has steadily adhered to his purpose—a purpose which he kept constantly declaring was the very farthest from his thoughts. Whether, in the long run, he is likely to succeed, and to establish in the new world a permanent monarchical government; what effect the intervention will probably have on Mexico herself; and, last but not least, how it should be regarded by the government of the United States, are questions which we propose to consider at some future time.

MINERAL WEALTH OF THE UNITED STATES.

IRON, COPPER, LEAD, GOLD AND SILVER.

VAST as is the mineral wealth of the United States at this moment, it does not appear to have been of much interest to the early settlers. This, perhaps, is not surprising, since the more direct family wants were then so pressing that they had no time to bestow upon the production of those metals which conduce more to the advancement of large societies of men. It has only been of late years that the necessary labor and capital could be applied to the development of our great mineral deposits, which now dazzle the eyes of adventurers, and attract capital. Iron, coal, copper, lead, gold and silver, are distributed in rich profusion in all sections of the country, and the annual production increases with great rapidity. Some discoveries, however, were made in the early times, particularly of iron. There were iron works in Virginia in 1705; and in New York in 1732, six furnaces and nineteen forges were in operation. In 1702 there was a shot furnace at Plymouth, and in 1715 there were furnaces in Maryland, Virginia, Pennsylvania, causing, by the way, so great displeasure to the Imperial Parliament, that in 1750 it forbade the erection of rolling mills. In 1651 General WINTHROP obtained a license for working "lead, copper or tin, or any materials." Under this license an argentiferous lead mine was worked at Middletown. In 1742 this same mine was reopened and found to be in a good state of preservation. In 1709, copper mines were worked at Simsbury, Connecticut, and in 1719 a mine of this metal was worked in Bellville, New Jersey, and still others in Lancaster County, Pa. The copper mines of Lake Superior were known in 1660 to the Jesuit missionaries, and the lead mines of the upper Mississippi were discovered in 1700, and were worked in 1780, by DUBUQUE, a French miner, whose name remains in the locality. The only coal mines worked in those early days were some on the James River, twelve miles above Richmond. The precious metals were altogether unknown, and dependence of the country upon Great Britain for the supply of iron was such, that little attention was paid to our own mines of that metal.

IRON.

After the year 1750, the working of iron was limited to the production of pig iron, for export to the mother country; and in 1771, about 7,251 tons were shipped hither. Our necessities during the revolutionary war created a demand, and gave a great impulse to production, so that iron

and lead ores were sought for with great eagerness. Subsequently the mining interest was increased rapidly, being developed by new inventions, and strengthened by accumulated capital. In 1810, the production was 54,000 tons of charcoal iron; in 1830, 165,000 tons; in 1840, 315,000 tons; in 1850, 564,755 tons; in 1860, 854,981 tons.

Up to 1840 charcoal had been the only fuel used in the manufacture of iron, and while it made, as compared with coke, a greatly superior quality, the general demands of the trade required a cheaper iron. In the year alluded to, a great change was produced by the introduction of anthracite coal for smelting purposes.

Three elements are essential in the production of pig-iron—ores, fuel to reduce them, and a suitable flux to aid the process by melting with and removing the earthy impurities of the ore, in a fiery, flamy, glossy cinder. Limestone is the flux most used, and, in our country, coal, limestone and iron ore, are generally found in close proximity. We have not space here to describe the several ores, but may state briefly they are hematites, magnetic and specular ores, the red oxides of the secondary rocks, and the carbonites. The first is the favorite, and three-fourths of all the iron of the United States is made from the first three varieties.

Up to 1840 the charcoal furnaces seldom made more than 4 tons per day. Since then larger furnaces, the use of hot blast, and more efficient blowing machinery, have raised the product to 10 or 12 tons per 24 hours. The development of this industry is now such, that it will probably go on doubling every ten years. The general tendency of circumstances in Great Britain is to raise the cost of coal and ore and labor, and to enhance the cost of the iron. While in the United States, owing to the great abundance of the ores, the improved means of transportation, and other circumstances, the cost is being reduced. The difference in price between the two countries will, before long, be in favor of the United States, and England may have to pay back for a portion of that iron of which she has hitherto been so prodigal.

COPPER.

Notwithstanding the great importance of the copper mines at present, it is only of very recent date in the history of the country, that this industry has been much pressed. Most of the States have more or less ore, but few of them have it in sufficient abundance to pay for working. The Simsbury mine, of Connecticut, was worked from 1709 to about 1750, when it was purchased by the State for a prison, and was worked sixty years by the convicts without much profit; another mine was opened at Bristol, Connecticut, in 1836, and gave 1,800 tons of ore, 18@20 per cent. copper, up to 1857, when it was abandoned. In New Jersey many mines have been worked and abandoned from insufficient supply of ores. The leading ones were the Flemington mine, the Schuyler mine at Belleville, the Bridgewater mine near Somerville, a mine near New Brunswick, and the Franklin mine. There were also mines in Pennsylvania, in Maryland, in New Hampshire. In Virginia ores are found near Manassas Gap, and in Carroll, Floyd and Grayson Counties, ores were discovered in 1852, giving 20 per cent of copper, and from one to two million pounds of ores per annum were sent over the Virginia and Tennessee Railroad from 1855 to 1860.

In Tennessee there is an important copper region in Polk, extending to

Gilmore County, Georgia, and about fourteen companies existed in the region, making 13,000 tons, giving 20 per cent copper, worth \$1,300,000. There were several other important companies, owned mostly in New Orleans.

West of the Alleghanies the only valuable copper mines are those of Lake Superior. The existence of the copper in those regions was known to the Jesuits as early as 1659, and reports of the copper were received from time to time, until in 1819, Gen. Cass and Mr. Schoolcraft visited the region, and reported upon the great mass of copper upon the Ontonagon. It was not until the ratification of a treaty with the Chippewa Indians, in 1842, that white traders visited the region, and about that time the reports of the State Geologist of Michigan drew attention to the vast mineral resources of the section. In 1844 great excitement prevailed on the subject, and an immense number of mining locations were issued at Washington, mostly for the neighborhood of Keweenaw Point. Since then the mining business has gradually consolidated, until now it is mostly confined to three districts—the first, Keweenaw Point; the second, about Portage Lake; and the third, near the Ontonagon River. The magnitude of the business in that region at present, is indicated in the following statement of the product of the Lake Superior Copper Mines for 1863:

PORTAGE LAKE DISTRICT.		ONTONAGON DISTRICT.	
	Tons.		Tons.
Quincy.....	1,472.75	Minnesota.....	1,011.72
Pewabic.....	1,083.38	National.....	415.20
Franklin.....	780.09	Rockland.....	197.94
Isle Royale.....	372.46	Evergreen Bluff.....	95.21
Grand Portage.....	247.44	Knowlton.....	68.10
Hancock.....	72.16	Ridge.....	46.62
Huron.....	69.14	Carp Lake.....	45.57
Mesnard.....	1.50	Superior.....	41.92
St. Mary's.....	2.00	Bohemian.....	23.90
Columbian.....	3.63	Ogima.....	19.17
		Flint Steel.....	22.49
Total.....	4,104.55	Caledonia.....	5.93
		Mass.....	5.86
		Hilton.....	4.00
		Aztec.....	1.07
		Adventure.....	—
		Total.....	2,004.70
KEWEENAW DISTRICT.		RECAPITULATION.	
Cliff.....	1,449.01	Portage Lake.....	4,104.55
Central.....	440.11	Keweenaw.....	2,439.29
Copper Falls.....	234.31	Ontonagon.....	2,004.67
Phenix.....	151.10		
Petherick.....	56.72	Total.....	8,548.53
Amygdaloid.....	51.60		
Garden City.....	39.44		
North Cliff.....	4.50		
Bay State.....	2.50		
North America.....	—		
Eagle River.....	—		
Total.....	2,489.29		

These figures show a decrease on the production of 1862 of 413½ tons,

which is confined entirely to the Ontonagon District; the Portage Lake and Keweenaw Districts showing an increase.

The following table will give, in round numbers, as nearly correct as possible to obtain, the amount of rough copper produced by the mines of Lake Superior since the first attempt to develop its richness by regular mining:

	Tons.		Tons.
1845-1854	7,642	1860	6,000
1855-1857	11,312	1861	7,400
1858	3,500	1862	9,062
1859	4,200	1863	8,548
Total			57,664

LEAD.

Lead like copper has been discovered in most of the Eastern States, but not in sufficient abundance or richness to pay for working to advantage. In Massachusetts, New Jersey, and Pennsylvania mines have been worked, but the great dependence for home supply has been on the prolific mines of Missouri and Wisconsin, which have given, since 1832, a large annual supply. This, however, culminated in the year 1846, or about the time of the gold discoveries of California, those discoveries drawing off the miners to the more dazzling region. The eastern States have experienced a greatly increased demand for lead during the last twenty years, since the introduction of the Croton water in New York city. That event was followed by similar enterprises in most cities of the Union, and, as a consequence, by a very marked increase in the demand for lead pipe. This demand was in addition to the growth of the regular demand for other purposes naturally attending the growth of a wealthy population.

The following table will show the decline in the payment on importations of lead consequent upon the prosecution of the Wisconsin mines, up to the time of the renewed demand for water works, which could be supplied only from abroad, mostly from England and Spain:

Years.	Amount of pig lead from American miners received at St. Louis and N. Orleans.		Amount of pig, bar, and sheet lead imported, lbs.	Invoice value of yearly importation.	Ave'ge invoice rate per 100 lbs.	Ave'ge rate of duty, per 100 lbs.	Amount of white and red lead imported, lbs.	Invoice value of yearly importation.
	Pig lead, per 100 lbs.	lbs.						
1832.....	\$5 94	8,540,000	5,938,588	\$124,811	\$2 33	\$3 00	557,781	\$30,791
1833.....	5 91	12,600,000	2,282,068	60,660	2 66	3 00	625,069	36,049
1834.....	5 12½	14,140,000	4,997,993	168,811	3 38	2 77	1,024,663	57,572
1835.....	6 56	16,000,000	1,006,472	35,663	3 54	2 77	832,215	50,225
1836.....	6 37½	18,000,000	919,087	35,283	3 84	2 55	908,105	62,287
1837.....	5 96	20,000,000	335,772	13,871	4 13	2 57	599,980	47,816
1838.....	5 29	20,860,000	163,844	6,573	2 66	2 84	522,681	38,683
1839.....	5 83	24,000,000	528,922	18,631	3 52	2 31	72,408	59,905
1840.....	4 89	27,000,000	519,843	18,111	3 52	2 08	643,418	41,043
1841.....	4 50	30,000,000	62,546	2,605	3 22	2 07	532,122	81,617
1842.....	3 81	33,110,000	4,689	155	3 30	3 00	479,788	28,747
1843.....	3 58	39,970,000	290	3	1 03	3 00	98,166	5,600
1844.....	3 90	44,730,000	data not at hand.			3 00	not at hand.	
1845.....	4 03	51,240,500	19,609	458	2 34	3 00	231,171	14,744
1846.....	4 78	54,950,000	214	6	2 80	3 00	215,434	15,685
1847.....	4 37	46,130,000	224,905	6,288	2 80	56	298,387	15,228
1848.....	4 26	42,420,000	2,684,700	85,387	3 18	64	318,751	19,708
1849.....	4 78	35,560,000		data not at hand.				
1850.....	4 80	40,313,910	36,997,751	1,182,597	3 19½	64	853,463	43,756
1851.....	4 85	84,984,480	43,470,210	1,517,603	3 49	70	1,105,852	52,631

1852.....	4 80	28,593,180	87,544,558	1,288,331	3 42	70	842 521	43,365
1853.....	6 45	31,497,950	48,174,447	1,618,058	3 74	70	1,224,068	69,058
1854.....	6 57	21,472,999	47,714,140	2,095,093	4 39	90	1,865,893	102,812
1855.....	6 87	21,441,140	56,745,247	2,556,523	4 50	90	2,319,099	134,855
1856.....	6 59	15,347,880	55,294,265	2,528,014	4 57½	91	3,543,409	174,125
1857.....	6 18	14,028,140	47,94,698	2,305,768	4 83½	72	1,793,377	113,075
1858.....	5 94	21,210,420	41,230,019	1,972,243	4 78½	73	1,785,851	109,426
1859.....	5 70	7,281,210	63,782,093	2,617,770	4 18	73	1,908,714	119,101
1861.....	5 51	8,502,300	39,645,448	1,821,681	4 82	72	1,277,210	81,247

As a consequence of this increased demand, the prices naturally rose. During the last two years, however, they have been further excited by the depreciation of the paper currency. The following shows the highest and lowest prices, and the duties in each of several years :

	Prices.		Average.	Duties.
	Lowest.	Highest.		
1848.....	\$3 75	4 50	4 17@ 4 20	20 per cent.
1860.....	5 62	5 75	5 67@ 5 73	15 “
1862.....	6 62	8 30	7 04@ 7 11	\$1 50 per 100 lbs.
1863.....	7 40	9 60	8 70@ 8 76	1 50 “ “ “
1864.....	12 25	12 75	12 28@12 62	1 50 “ “ “

GOLD AND SILVER.

The gold interest of the United States, which has now become one of the most important of the world, laid dormant three hundred years after the discovery of this country. Notwithstanding the cupidity of the pioneers, and the long distress of the settlers, the metals eluded their grasp until almost every other portion of the continent was settled. Suddenly, however, the glitter of gold attracted all to the hitherto neglected spot, for it was the most remote and inaccessible region that contained the desired metals in greatest abundance. Nearly all of the States of the Union contained more or less of this precious metal, but not in such quantities as to reward sufficiently the miner for his labor. Very early discoveries were made in North Carolina and Georgia; and in 1842, in Habersham County, there were also discovered various mining utensils and vestiges of huts, which had evidently been constructed by civilized men, but buried there for several centuries. It was supposed they belonged to De Soro's party, which passed through the region in the sixteenth century on their way from Florida to the Mississippi river. Gold was discovered in Virginia in 1746. It is mentioned in South Carolina in 1802. The mines in those States were gradually developed until branch mints were established in 1838. Up to 1820, but \$43,689 of native gold had found the United States mint. From that period, up to 1862, Virginia, Alabama, Georgia and North Carolina, had contributed \$17,862,233 to the precious metals of the world.

The formations of the United States in which gold mines are worked, follow the Appalachians, and are productive chiefly on the eastern ranges. The extreme northern gold mines on this range are in Canada East, upon the Chaudiere river and its tributories. Gold has also been found in Vermont.

The most important gold region of the United States, and perhaps of the world, is that of California. Its development has not only largely multiplied the precious gold productions of the globe, but it has been the means of rapidly opening to the use of civilized nations, large territory of productive lands (which were before an unprofitable wilderness), founding new States, stimulating industry, enlarging the commerce of the

world, and bringing into closer intercourse nations which were before the most widely separated.

The principal mineral wealth of the Western Continent is found in the mountain system which overlooks the Pacific ocean, and which in Mexico has the name of Cordilleras, a title given to it by HUMBOLDT. Not far south of the city of Mexico the mountains are divided into two branches, one lies to the east of that city, pursuing a course nearly north and parallel with the gulf of Mexico through Queretaro, New Leon, and Coahuila, into Texas, under the general name of the Sierra Madre. North of the Rio Del Norte, it is known as the Guadalupe, and sometimes as the Organ mountains, which continue northward to the east of Santa Fe, as far as Pikes Peak. From this point the chain is prolonged northward to the Arctic Sea, under the name of the Rocky Mountains. Throughout the Republic of Mexico, there are silver mines in the Sierra Madre, which is the eastern range. The other branch, which is on the west, is the Sierra Nevada, often called the northern Andes, near to, and parallel with the Pacific Ocean and the Gulf of California. It extends through Michoacan, Sinaloa, Sonora, and Arizona, into California. Like the Sierra Madre it is more like the edge of an elevated broken plateau fronting to the west than a range of mountains. Silver mines of great richness are found in it, from the city of Mexico to the Gila and farther north at Washoe in Nevada. From California, northward, this range goes by the name of the Cascade Mountains, passing into British Columbia and the Russian provinces. Gold has been found throughout the whole, from the Gila to Fraser's River. There are connected with the United States many subordinate ranges, one of which, the "coast range," commences at the extremity of the peninsula of Lower California, and stretches northward, almost in view of the ocean, through California and Oregon. In this are the silver mines of Lower California, and the richest quicksilver mine in the world.

Thus one great chain extends from the Straits of Magellan, northerly through South America, Central America, and North America, to the Arctic Sea, and throughout the whole extent of the Rocky Mountains is the same. When the Sierra Nevada and the Rocky Mountains were ascertained to be similar to those of the Southern Cordilleras, it was safe to predict the existence of precious metals. This is a sure deduction from geological rules. For three hundred years the Spaniards in Mexico, Peru, and other South American Colonies, had extracted silver and some gold from the veins of the metamorphic and silurian rocks. It was not, therefore, a mere speculation or prophecy, but a reliable conclusion of science, that these rocks extending northward through the United States would contain the same metals.

The discovery was not made, however, until the metals themselves were discovered.* Geological research has since made evident the fact,

* This statement is not correct. The existence of gold in California was frequently referred to by scientific travelers, previous to its discovery in 1848. Professor DANA, of Yale College, having had occasion to pass rapidly over that portion of the country, stated in, we believe, his "Geology of the Exploring Expedition" that the precious metals would undoubtedly be found there. We also published in the MERCHANTS' MAGAZINE for April, 1847, an article from the pen of L. W. SLOAT, who passed a short time in California in 1845 or 1846, in which he said that from all the in-

that the wealth which has so long been furnished to the world from the south section of the mountains, exists in still greater abundance in the northern section. It is, therefore, a matter of interest to glance at what has been done in the northern portion of that vast store-house of wealth.

Mr. CHARLES WHITTLESEY states that before the time of HUMBOLDT, no less than sixteen persons of scientific reputation had given their statements, of the quantity derived from America, prior to the present century. They differed so widely that HUMBOLDT made it a subject of inquiry during all his journeyings in the Spanish Colonies. After great labor, and with access to the records of mining in the New World, he published an account of the annual product from the discovery of America, in 1492, to the year 1803, a period of 311 years.

This exhibit evinced so much research, and so much personal examination of the mines both in Mexico and in South America, that it has been received as the best authority. Under the Spanish system, mineral veins belong to the crown, which derives an income by a royalty, or rent, upon the metal produced. In this way the official returns, if correctly rendered, would give an exact product of the mines. But the miners possessed great ingenuity, and no scruples in concealing rich pieces of ore or native gold and silver, about their persons. Nor are the Spanish officials considered to be wholly above the suspicion of bribery. It was, indeed, the interest of all parties in the Vice royalties of the new world far away from the surveillance of the crown, to reduce in the official reports the amount of gold and silver produced.

The following, however, is HUMBOLDT's statement :

formation he was enabled to obtain, during his stay in California, there was not the least doubt that gold, silver, quicksilver, copper, lead, sulphur, &c., were to be found in all that region ; " and I am confident," he adds, " that when it becomes settled (as it soon will be) by Americans, that its mineral developments will greatly exceed, in richness and rarity, the most sanguine expectations."

In the voyage of Captain GEORGE SHELVOCK, who visited California in August, 1721, the following curious statement, concerning the appearance of gold in that country, is made :

" The eastern coast of that part of California which I had sight of, appears to be mountainous, barren and sandy ; but, nevertheless, the soil about Puerto, Segure ; (and very likely in most of the valleys,) is a rich black mould, which, as you turn it fresh up to the sun, appears as if mingled with gold dust, some of which we endeavored to wash and purify from the dirt ; but though we were a little prejudiced against the thoughts that it could be possible that this metal should be so promiscuously and universally mingled with common earth, yet we endeavored to cleanse and wash the earth from some of it, and the more we did the more it looked like gold. In order to be farther satisfied, I brought away some of it, which we lost in our confusions in China. But be that as it will, it is very probable that this country abounds in metals of all sorts, although the inhabitants had no utensils or ornaments of any metals whatever, which is no wonder, since they are so perfectly ignorant in all arts."

This curious statement may be found in " HARRIS' Collection of Voyages, vol. 1, p. 233, edit. 1744. ED. HUNT'S MERCHANTS' MAGAZINE.]

PRODUCT OF GOLD AND SILVER OF THE MINES OF THE NEW CONTINENT, FROM ITS DISCOVERY TO THE YEAR 1803, AND FOR SOME SUBSEQUENT YEARS.

Epoch.	No. Years.	Total in Dollars.	Annual Average.	Authorities.
1492 to 1500....	8	2,000,000	250,000	Humboldt.
1500 to the discovery of Potosi 1545.	45	135,000,000	3,000,000	"
1545 to 1600....	55	605,000,000	11,000,000	"
1600 to 1700....	100	1,600,000,000	16,000,000	"
1700 to 1750....	50	1,125,000,000	22,500,000	"
1750 to 1803....	53	1,771,900,000	32,300,000	"
Total and Av....	311	5,238,900,000	16,845,338	
1790 to 1830, Peru and Brazil wanting.	40	910,070,727	22,787,159	London Mining Journal.

The period of 40 years, from 1790 to 1830, covers 13 years of the latter part of HUMBOLDT's tables. The total amount, as stated by McCULLOCH, is \$911,486,380, differing slightly from the report of the London *Mining Journal*. Both results are based upon the reports of the British Consuls in different parts of the world, who were directed to procure statistics in relation to precious metals. Of this sum \$708,655,535 is the product of Mexico in silver, and \$32,182,265 in gold. In the table of the consuls, the United States did not figure largely. In 1830 only \$109,000 in gold is credited to us.

A mint was established in Mexico in the year 1835, the total coinage of which is given by Dr. FISHER to the year 1850, a period of three hundred and fifteen years. It amounts to the sum of \$2,667,828,851. The great mine at Potosi, formerly in Peru, but now in Buenos Ayres, was discovered in 1545. In 1847, Dr. URE, upon the authority of HUMBOLDT, estimates the entire yield of the veins around Potosi at \$1,500,000,000.

We thus see what has been accomplished in the southern portion of this range, and the working of the mines, during all this time, was done in the rudest manner, and with means wholly inadequate to extract the entire value of the gold from the ores. Since the discovery of the mines of California, all the resources of modern science have been taxed, to find out the best way of working, cheaply and thoroughly, the ores that are presented. Thus, many and great inventions have been made from time to time.

The working of these quartz veins has attracted attention, and the greatest inventions had been made in modes of freeing the metals from the earthy materials with which they are connected. Each of these improvements, of which the description would fill volumes, has greatly increased the profits of mining, and, hence greater numbers have been attracted to the region.

The Governor of Colorado in his last message, thus alludes to this subject:—"The improvement in the modes of saving gold from the ores of our mines, that have been made during the past year, have given a new impulse to our mining operations. By these new processes, ores that paid but \$25 per ton, by the old process, are readily made to yield \$100 per ton, while many varieties produce much more largely, and this without greatly increasing the expenses. It may fairly be estimated, therefore, that most of our mines have been quadrupled in their value during the past year, by the improvements made in the processes of saving gold."

All the new Western Territories abound in the precious metals, held in the quartz rock. The gold or silver bearing quartz runs in veins through an entirely different rock, which forms walls on both sides as the vein is worked. It is sometimes the case that the quartz is found loose with a wall on one side, indicating that, by some convulsion of nature, there has been a "slide." This is not, therefore, a true vein which requires to be sought out. When a vein is discovered or suspected, a land-mark is set up, and the discoverer makes a claim to a certain number of "feet," on which he is entitled to follow the vein in all its "turns, dips and angles," and has an allowance of 50 feet on each side for the working. He is required to work the vein, however, to make good his claim. This is done by digging out the quartz, subjecting it to stamping mills, by which it is crushed to an impalpable powder. This is then washed in water. Much of the gold will, however, exist in particles, so fine, as not to be detected by the eye. These are secured by means of quicksilver, which is a powerful affinity for the precious metals. It attracts and holds all the particles in a pasty mass which is exposed to heat, when the mercury disappears in vapor, leaving the gold in mass. If the yield of gold by this process is encouraging, means are taken to work the vein regularly by sinking a shaft into it, and raising the ore to the surface to be pulverized and amalgamated with the mercury. As a rule, the deeper the vein is pushed the more advantageously it is worked, because the quartz becomes softer, and the yield greater for the same amount of labor. The value of the claims is rated at a price per square foot of the vein; some of these are of immense value, and give the largest dividends on the capital employed.

In this connection the following statement of the production of the mines of the United States, made up from the mint returns, is of interest:

Washington Territory.....	\$31,451 58
Idaho ".....	1,816 97
Dakotah ".....	7,958 88
Nevada ".....	65,199 68
New Mexico.....	63,023 53
Arizona.....	25,761 12
Utah.....	78,559 14
Oregon.....	3,980,285 94
Colorado.....	7,646,386 54
California.....	541,647,400 78
Total.....	\$553,547,344 16
Eastern States.....	21,495,537 71
Other sources.....	84,426 97
Total.....	\$575,128,808 94

These figures indicate only the amount of gold received at the mint; but very large quantities have gone out of the country and into the arts through private assay offices. The whole production has, therefore, not been less than \$600,000,000, and, doubtless, exceeds the whole production of the South American mines, including that of Potosi, during the

first 120 years of the discovery. The large production, with imperfect means in Mexico and South America, indicate the inexhaustible production of the formations. The most experienced explorers deem the northern range of the same formation quite inexhaustible, and the fervor of mining enterprises seems to be at this moment greater than ever.

It is hardly five years since the gold-bearing lodes of Colorado were first discovered and prospected, and yet, in the face of many discouraging circumstances, and with a population not exceeding forty thousand men, women and children, it has already added over twenty millions of dollars to the bullion of the world.

It is only recently that the attention of capitalists has been attracted towards that region. Hitherto the mining enterprises there have been carried on by men of limited means, and with very imperfect mining machinery. The character of the mines has differed materially from those of any gold country yet discovered, taxing the ingenuity and skill of miners to extract and save the gold, and often puzzling and perplexing the experienced and scientific. But patience and perseverance have enabled the quartz-millers of Colorado to overcome these difficulties, and they are now saving fifty per cent more gold than could formerly be obtained from the same quality of ores. Capital, too, has been freely invested in the mines of Colorado, and vast sums are this season expended in the erection of improved and more powerful machinery, and in a more vigorous and extensive development of the quartz veins.

A large amount of machinery is now on its way to that region, to aid in swelling the product of the ensuing year.

The silver mines are also receiving great attention. The crest of the elevated region of Sinaloa, and Sonora, fronting the gulf of California, is rich in silver mines for a distance of 500 miles. It extends into Arizona, and up to the Gila river. In the Mexican State of Sonora, on the south, there are 27 mining establishments. With an enterprising people, and a stable government, there would be ten times that number within as many years. Mineral veins exist across the entire mountain country, to the Sierra Mimbres and the Sierra Madre; on the waters of the Rio Del Norte. Although gold is found it is but little worked. At present the most promising mining center of Arizona, is at the head waters of the Santa Cruz and the San Pedro rivers. The government has recently caused a road to be surveyed from Fort Buchanan, through the Mexican territory, to the port of Lobos. This is by far the best outlet for the mining region around Tubac. The route is descending all the way, following the valley of the Altar and St. Ignacio rivers. It passes through a comparatively smooth country, with an abundance of water and grass, and some settlements. The distance is less than 200 miles.

Washoe is the center of a remarkable mineral region, at the eastern foothills of the Sierra Nevada, on the waters of Carson river, in latitude about 39° north. Here are powerful veins, ledges, and masses of quartz, that carry lead and silver. The silver is frequently seen in its native form in thread-like coils, but is generally diffused throughout "galena," or sulphuret of lead. The ledges, or veins, are not destitute of gold. This region has produced, according to the San Francisco *Mercantile Gazette and Price-Current*, \$6,000,000 during the year 1862, principally in silver. Mining enterprises are spreading eastward, along the valley of the Humboldt River to Reese River, 150 miles from Washoe. This is as far to the

north as silver has been wrought, but if we can rely upon geological indications, this metal should be found in Oregon and Idaho.

The circumstances of war and paper currency seem to have given an unusual impulse to the prosecution of all mines. The war, by checking the usual direction of industry, has turned it into new quarters, and mines have the more attraction, because, while the working was not exposed to the costly influence of an unstable medium, gold being retained as the currency, products are in a shape that defies the depreciative action of inconvertible paper.

THE PROPAGATION OF DISEASE BY SHIPPING.

BY A. N. BELL, M.D., LATE P. A. SURGEON U. S. NAVY, ETC.

IN the early history of quarantine, the Southern States of Europe professed, in most cases, to trace the outbreak of plague to the arrival of some ship, hence their commercial cities were almost wholly closed against navigators; and the goods of any one importing the plague were confiscated. These restrictions were based upon the contagiousness of plague; and, as it was found that other malignant epidemic diseases frequently emanated from vessels arriving from almost every clime, in default of ship-ventilation and cleanliness, these, too, were deemed contagious, and subjected to the same restrictions. Hence, plague soon became a common synonym for all diseases propagated by infected vessels.

DU TERTRE, in his history of the French Antilles, states, that in 1648, the plague, unknown in these islands since the time they were inhabited by the French, was introduced therein by some vessels. ROCHEFORT, too, in his history of the same islands, states that the plague was formerly unknown there as well as in China, and some other eastern countries, until it was carried thither by shipping. TRAPHAN, in his "State of Health of Jamaica," writes of an epidemic that prevailed there in 1671, which was connected with the return of the fleet from the signal Panama expedition. And, according to MOREAU DE ST. MERY, in his history of St. Domingo, the same disease was transported by shipping to St. Christopher's and to Port de Paix. Thence it was traced by FERREYRA DE ROSA and HUGHES, to Pernambuco, Martinique, and to the Barbadoes.

HUTCHINSON, in his history of the Massachusetts Bay, states that a fleet which had been fitted out for the purpose of being employed in the winter for the reduction of Martinico, being diverted from its course and returning to Boston from the West Indies, June 17th, 1692, had buried 1,300 out of 2,100 sailors, and 1,800 out of 2,400 soldiers. The distemper spread to Boston, and was more malignant than even the small-pox, or any other epidemic that had been in the country before. In 1699 the same disease, though by this time it began to be more particularly known as yellow fever, was, according to WATSON'S ANNALS, imported from Bardoes into Philadelphia. During the same year WILLIAM PENN., after an absence of fifteen years, returned; and, by his advice, the Colonial Assembly met at New Castle in 1700, and passed an "act to prevent sickly vessels coming into this government." This was the first legislation in America on quarantine. Yet the recurrence of winter having destroyed the epidemic, occasion, it appears, did not require the enforcement

of the law until 1728, in the case of two vessels from Bristol, England, infected with malignant fever. From this time onwards, the various ports in the other colonies gradually adopted the same system with various degrees of severity; and merchants and captains were forced into their observance under heavy penalties. Passengers arriving in infected vessels were cruelly kept on board to sicken and die of diseases from which they would have escaped, without danger to any one, had they been permitted to leave their infected prisons.

In 1738, this evil had become so great at Philadelphia, in consequence of the large number of immigrants in infected vessels, that a quarantine establishment, or *pest-house*, was instituted. This example, too, which was not without precedent in Europe, was speedily followed by other American ports. Acting on the erroneous doctrine of the contagiousness of epidemic diseases, it soon became common to vent the most rigid restrictions against passengers and crews, and to proportionately relax on vessels and goods. Personal contagion henceforth became both popular and profitable to the merchant, because no matter how dangerous soever the ship, or goods imbued with the poison from her, if some unfortunate person could only be found to have had communication, upon him the whole power of the law was visited; and upon his shoulders was thrown the responsibility of carrying the disease. Meanwhile, the vessel was pressed to pratique and unladen—again speedily reladen with fresh material for fomites, and sped off to some new place to disseminate the seeds of death. This is no fancy picture, but a sad reality. It would indeed be easier to trace the propagation of epidemic diseases by the progress of commerce, for the past century, than for the last which preceded. It will suffice, however, for the object of this paper to point out some of the most recent illustrations, such as can be verified by living observers.

It is a remarkable fact, that it has only been since the discovery of gold in California, and the consequent rush of shipping from the ports of the Atlantic, that yellow fever epidemics have prevailed on the Pacific shore. It is well known that in the years 1851–2, the harbor of Rio Janeiro was crowded with shipping, with flags at half-mast, as the signal of yellow fever on board. How many of these vessels were destined for the Pacific we have no means of ascertaining. A few, however, have been clearly traced. About the middle of the year 1851, the steamer *New World*, on her way to California, touched at Callao, after having lost almost her whole crew by yellow fever in Rio. The steamer *Quito*, from England, by way of Rio, where she lost several of her crew by yellow fever, arrived at Callao in April, 1852.

The first German emigrant ships arrived in Callao in December, 1851. During the early part of the year 1852, a mild form of fever broke out in Lima, and along the coast of Peru, which was vulgarly designated "*pe-lusa*," just as in 1849, the precursory form of fever, under the name of "*polka*," prevailed at Rio. From this nucleus the disease speedily developed itself into a perfect type of yellow fever, and has prevailed extensively and almost annually ever since.

In the fall of 1854, the steamer *Ben Franklin* sailed from New York on a filibustering enterprise to Central America. Failing in this she went to St. Thomas, where she remained several months during the prevalence of a severe epidemic of yellow fever on shore; thence, with many passengers on board, to Norfolk, Va., where she arrived June 6th, 1855; first,

however, having transferred her passengers to the Baltimore steamboat in the bay. The vessel came to anchor at the quarantine, about a mile from the city, and was reported by her captain to be in a perfectly healthy state. On the 18th of the month, the health officer, having for the second time visited the vessel, and finding no appearance of disease on board, admitted her to pratique. She went up to Portsmouth the next morning, having been anchored at quarantine thirteen days.

On the 5th day of July, a man who had been working on the boiler of the *Ben Franklin* on the 3d, was taken sick, and died on the fourth day afterwards, with unmistakable symptoms of yellow fever. The next day, on the 8th of July, the vessel was sent back to quarantine. Another case, who, after being engaged on board the vessel one week, was taken sick on the 30th of June. His case ran a less rapid course, but finally, died with black vomit on the 17th of July. After the ship was sent back to quarantine several other cases occurred on board, and were sent to the hospital. The first cases on shore, among persons who had no communication with the vessel, were in the neighborhood of the wharf where she commenced breaking out and repairing. It was subsequently ascertained that the *Ben Franklin* had a number of cases on board, and several deaths at St. Thomas; and that there were three cases, two of them fatal, on the voyage to Norfolk. Among the passengers who were transferred to the Baltimore boat in the bay, no case occurred. Fortunately for them, by the false representations of the captain of the *Ben Franklin*, they escaped the strictures of quarantine.

In October 1857, the U. S. steamer *Susquehanna*, was ordered from Spezzia, Sardinia, to San Juan de Nicaragua, where she arrived early in December; having touched, by the way, at Genoa, Madeira and Key West. She remained at San Juan until the first of the following April, having had during the whole period of time there a constantly enlarging sick list of a precursory fever. At first, intermittent, then remittent, but all recovering, until the 20th of March, a case became malignant and died.

The ship put to sea on the 1st of April, and on the 5th arrived off Port Royal, Jamaica, with one hundred and six officers and men down with yellow fever. Most of these were sent to the hospital, and on the third day afterwards the ship left Port Royal for New York. The sick list rapidly increased during the passage, and upon arrival at New York quarantine, on the 15th of April, there were fifty patients on the sick list.

The remarkable feature in this instance is, that at San Juan, where the yellow fever first appeared on board the *Susquehanna*, there was no yellow fever, and the disease has never been known there. Yet all the climatic conditions calculated to produce it exist in great abundance. The circumstance, therefore, cannot be regarded otherwise than as illustrating the peculiar liability of a ship, even above the most favorable conditions of shore, for the origination of infection. It is also a remarkable illustration of the fallacy of attaching the danger of communication to personal contagion, instead of to the infected material of commerce. It was fortunate for the place that the *Susquehanna* left so soon. The same thing has been exemplified on numerous other occasions. The propagation of yellow fever to Bay Ridge, from the quarantined shipping of New York in 1856, is an equally prominent example. The restrictions imposed upon persons that year, and previously at the New York quarantine, had no more influence in restraining yellow fever than would be

exercised at the present time over the prevalence of cholera infantum by shutting up a dozen families from the Five Points, because their children are dying with it. Yet the absurdity of the practice in the one case, and of the mere suggestion in the other, is only equally palpable with the neglect of the true source of danger in both alike.

The bubbling of villainous smells from the liquid filth of some of our streets serves to warn the passer by of his near approach to the source of the river of death. And so, too, the dark, damp hold of a filthy vessel from a warm climate, with a stagnant pool of bilge-water at her keelson, leaves no less doubt of her dangerous condition. Yet both alike are unheeded.

That the chief danger of epidemic diseases consists in personal contagion no well-informed person now believes. Hence, to subject a *person* to quarantine is no less an outrage gainst common sense than personal freedom. Yet epidemic diseases are propagated by commerce now with no less certainty than they were before quarantine was ever thought of; and the arrival of a fleet, or even a single vessel, "with a direful plague aboard," at the wharves of New York now, would be fraught with no less danger to the inhabitants than was realized by the arrival of Sir Francis Wheeler's squadron at Boston in June, 1692. With perpetual local conditions, such as the municipal authorities of New York and Brooklyn appear to habitually enjoy during the summer months, originate the diseases which carry off more than one-fourth of the whole human race! Under such auspices are produced all the fatal epidemics; and that they do not prevail so constantly here as they do in Vera Cruz, Bengal, or Cairo, is in no respect due to a more intelligent administration of sanitary measures, but wholly depends upon our natural advantages of locality and climate.

Some of the most odious restrictions of quarantine have of late years been removed. But the misfortune is that wholesome measures have not been instituted in their place. By successive cruising in warm climates vessels are continually liable to contract, generate, and retain infection. And, unless effectually *destroyed* when it has once become manifest, it is perpetually liable to new outbreaks, and to the danger of being communicated to the material of commerce or to new places favorable for its reception. Mere detention at quarantine, exposure to a temperate atmosphere, deodorants and fumigants, are, it is well known, worse than useless measures, for they only serve to give confidence in a false security. Under the new quarantine law at New York, there is provision for the most efficacious means of disinfection. And if the Health Officer of this port is properly seconded in his efforts by the merchants *in the application of extreme degrees of heat and cold* to infected vessels and merchandise, we may indulge a reasonable hope of a true reform. One that will not only give the merchant his ship and goods in the shortest possible time, but which will also protect the community from the danger of infection from shipping.

Brooklyn, L. I., 27th May, 1864.

COMMERCIAL LAW. No. 13.

ARBITRATION.

THE SUBMISSION AND AWARD.

THE law favors arbitration in many respects, as a peaceable and inexpensive mode of settling difficulties. Parties may agree to refer a question by an oral agreement, or by a written agreement. The form is not essential. But it is always best to reduce the agreement to writing, and to express it carefully. But parties may, in many of our States, go before a magistrate and agree to refer in the manner pointed out by the statute. In all of them a case may be taken out of court and submitted to referees under an order of court.

The first essential of an award, without which it has no force whatever, is, that it be conformable to the terms of the submission. The authority given to the arbitrators should not be exceeded, and the precise question submitted to them, and neither more nor less, should be answered. Neither can the award affect strangers; and if one part of it is that a stranger shall do some act, it is not only of no force as to the stranger, but of no force as to the parties, if this unauthorized part of the award cannot be taken away without affecting the rest of the award.

Nor can it require that one of the parties should make a payment, or do any similar act, to a stranger. But if the stranger is mentioned in an award only as agent of one of the parties, which he actually is, or as trustee, or as in any way paying for, or receiving for, one of the parties, this does not invalidate the award. And in favor of awards, it has been said that this will be supposed, where the contrary is not indicated.

If the award embrace matters not included in the submission, it is fatal. If, however, the portion of the award which exceeds the submission can be separated from the rest without affecting the merits of the award, it may be rejected, and the rest will stand; otherwise the whole is void. If the submission specify the particulars to which it refers, or if, after general words, it make specific exceptions, its words must be strictly followed.

If these words are very general, they will be construed liberally, but yet without extending them beyond their fair meaning. On the other hand, all questions submitted must be decided, unless the submission provides otherwise; and either party may object to an award, that it omits the decision of some question submitted; but the objection is invalid if it be shown that the party objecting himself withheld that question from the arbitrators. Nor is it necessary that the award embrace all the topics which might be considered within the terms of a general submission. It is enough if it pass upon those questions brought before the arbitrators, and they are so far distinct and independent that the omission of others leaves no uncertainty in the award. If the award does not embrace all of the matters within the submission which were brought to the notice of the arbitrators, it is altogether void.

Thus, in a case in Massachusetts, by an agreement of submission to arbitration, the arbitrators were to determine between A and B, first, whether A had finished a certain dwelling-house according to his contract with B,

and what, if anything, remained to be done upon the house by A, and how much, if anything, remained to be paid by B to A, and what damage, if any, should be deducted and allowed to B for the failure of A to perform the agreement to build the house; secondly, to determine and decide what amount, if any, remained to be advanced by B to A, and what remained to be done, if anything, by A, upon a certain other dwelling-house, to finish it comfortably to another contract between him and B; and the parties agreed to do and perform to each other whatever might be ordered by the arbitrators to be done by them respectively. The arbitrators awarded that B should pay a certain sum to A in fulfilment of the contract for building the first-mentioned house, and that another certain sum remained to be advanced by B to A, in fulfilment of the contract for building the other house. And it was held that the arbitrators had not decided all the matters submitted to them, and their award was therefore bad.

In the next place, an award must be *certain*; that is, it must be so expressed that no reasonable doubt can be entertained as to the meaning of the arbitrators, the effect of the award, or the rights and duties of the parties under it. For the very purpose of the submission, and the end for which the law favors arbitration, is the final settlement of all questions and disputes; and this is inconsistent with uncertainty.

This certainty is not required to an unreasonable or impracticable degree; it should be a certainty according to common sense, and the common meaning of words; and the nature of the subject should be considered; and if that which is left uncertain by the words of the award can be made perfectly certain by a reference to a standard which the award presents, this is sufficient. Thus an award to pay the "taxable cost" is sufficiently certain. So in an award to pay a certain sum in ninety days, and interest.

An award may be in the alternative. If it be that one party shall pay the other a certain sum, but no time of payment be fixed, the award is not uncertain, because the sum awarded becomes payable immediately, or within a reasonable time.

In the next place, the award must be *possible*; for an award requiring that to be done which cannot be done, is senseless and useless. But the impossibility which vitiates an award is one which belongs to the nature of the thing, and not to the accidental disability of the party at the time. Thus, if he be ordered to pay money on a day that is past, this is void; so if he be required to give up a deed which he neither has nor may expect to have; but if he be directed to pay money, the award is good, although he has no money, for it creates a valid debt against him. Nor can a party avoid an award on the ground of an impossibility created by himself, after the award, or indeed beforehand, if he created it for the purpose of evading an expected award.

This impossibility may be actual, or it may be that created by law; for an award which requires that a party should do what the law forbids him to do, is void, either in the whole, or for so much as is thus against the law, if that illegal part can be severed from the rest.

An award must be *reasonable*; if it be of things in themselves of no value or advantage to the parties, or out of all proportion to the justice and requirements of the case, or if it undertake to determine for the parties what they should determine for themselves, as that the parties should

intermarry, it is void. It is not unreasonable, however, merely because it lays a burden on one party only, and requires nothing of the other.

Lastly, the award must be *final* and *conclusive*. This necessity springs also from the very purpose for which the law favors arbitration, namely, the settlement and closing of disputes. But here too, as on other points, the law is now more rational and less technical than it was formerly. Thus, it was once a rule, that an award that a party should withdraw a certain action from court, was not good, because not final, as the plaintiff might immediately renew his action; but this would not be held now. It is not a valid objection to an award, that it is upon a condition, if the condition be clear and certain, consistent with the rest of the award, in itself reasonable, and such as to cause no doubt whether it were performed or not, or what were the rights or obligations dependent upon it.

Any delegation or reservation of their authority by the arbitrators, which would have the effect of leaving anything to the future judgment or power of the arbitrators, or of others, would vitiate the award. But where arbitrators are unable to decide accurately upon some particular point, requiring some technical knowledge, they may refer the settlement of the details to some third person having such knowledge, the arbitrators, however, accurately determining the principles by which such person is to be governed.

An award may be open to any or all of these objections in part, without being necessarily void in the whole. So much of it as is thus faulty is void; but if this can be severed distinctly from the residue, leaving a substantial, definite, and unobjectionable award behind, this may be done, and the award then will take effect. It is therefore void in the whole because bad in part, only where this part cannot be severed from the residue, or where, if it be severed and amended, leaving the residue in force, one of the parties will be held to an obligation imposed upon him, but deprived of the advantage or recompense which it was intended that he should have.

Generally, in the construction of awards, they are favored and enforced, wherever this can properly be done. If the intention of the arbitrators can be ascertained from the award with reasonable certainty, and this intention is open to no objection, a very liberal construction will be allowed as to form, or rather a very liberal indulgence as to matters of form and expression.

If it be necessary to make a presumption on the one side or the other, to give full force and significance to an award, the court will incline to make that presumption which gives effect to the award, rather than one which avoids it. Thus, it has been laid down, almost as a rule, and certainly as a maxim, that, where the words of an award extend beyond those of the submission, it shall be understood that the surplus words have no meaning, and that there is nothing between the parties more than was submitted: and if the words of the award be less comprehensive than those of the submission, it shall be understood that what is omitted was not controverted; but in either case, the contrary may be shown by evidence, and the award would then be invalid.

If the submission be in the most general terms, and the award equally so, covering "all demands and questions" between the parties, yet either party may show that a particular demand either did not exist, or was not known to exist, when the submission was entered into, or that it was not

brought before the notice of the arbitrators, or considered by them; and then the award will not be permitted to affect this demand.

If by an award money is to be paid in satisfaction of a debt, this implies an award of a release on the other side, and makes this release a condition to the payment.

There is no especial form of an award necessary in this country. If the submission requires that it should be sealed, it must be so. And if the submission was made under a statute, or under a rule of court, the requirements of the statute or the rule should be followed. But even here mere formal inaccuracies would seldom be permitted to vitiate the reward.

If the submission contains other directions or conditions, as that it should be delivered to the parties in writing, or to each of the parties, such directions must be substantially followed. Thus, in the latter case, it has been held that it is not enough that a copy be delivered to one of the parties on each side, but each individual party must have one.

If an award be relied on in defence, the execution of the submission by each party, or the agreement and promise by each, if there was no submission in writing, must of course be proved, because the promise of the one party is the consideration for the promise of the others.

It may happen, where an award is offered in defence, or as the ground of an action, that it is open to no objection whatever for anything which it contains or which it omits; and yet it may be set aside for impropriety or irregularity in the conduct of the arbitrators, or in the proceedings before them. Awards are thus set aside if "procured by corruption or undue means." This rule rests, indeed, on the common principle, that fraud vitiates and avoids every transaction.

So, too, it may well be set aside if it be apparent on its face that the arbitrator has made a material mistake of fact or of law. It must however, be a strong case in which the court would receive evidence of a mistake, either in fact or in law, which did not appear in the award, and was not supposed to spring from or indicate corruption, and was not made out to the arbitrator's satisfaction. It has been permitted to the arbitrators to state a mistake of fact, which they afterwards discovered; but it would seem that the court cannot then rectify the award, or do anything but set it aside if the error be material, or, in some cases, refer the case back again to the arbitrators.

If the submission authorize the arbitrators to refer questions of law to the court, this may be done; otherwise such reference would, in general, either be itself declared void, or would have the effect of avoiding the award, because it prevented it from being certain, or final and conclusive. The arbitrators, by a general submission, are required to determine the law; and only a decided and important mistake could be shown, and have the effect of defeating the award; it has been said, that only a mistake amounting to a perverse misconstruction of the law would have this effect; certainly a very great power is given to arbitrators in this respect, and it has even been expressly declared that they have not only all the powers of a court of equity as well as of law, but may do what no court could do in giving relief or doing justice.

Other grounds of objection to an award are irregularity of proceedings. Thus, a want of notice to the parties furnishes a ground of objection to the award. And for this purpose it is not necessary that the submission

provide for giving such notice, because a right to notice springs from the agreement to submit. But this rule is not of universal application, for there may be cases where all the facts have been agreed upon and made known to the arbitrators, and where the case does not depend upon the evidence, and no hearing is desired, and therefore notice would be unnecessary.

Another instance of irregularity is the omission to examine witnesses ; or an examination of them when the parties were not present and their absence was for good cause ; or a concealment by either of the parties of material circumstances ; for this would be fraud. So if the arbitrators, in case of disagreement, were authorized to choose an umpire, but drew lots which of them should choose him. But it has been held enough that each arbitrator named an umpire, and lots were drawn to decide which of these two should be taken, because it might be considered that both of these men were agreed upon. And if an umpire be appointed by lot, or otherwise irregularly, if the parties agree to the appointment, and confirm it expressly, or impliedly by attending before him, with a full knowledge of the manner of the appointment, this, it seems, covers the irregularity.

THE REVOCATION OF A SUBMISSION TO ARBITRATORS.

It is an ancient and well-established rule, that either party may revoke his submission at any time before the award is made ; and by this revocation render the submission wholly ineffectual, and of course take from the arbitrators all power of making a bind award. And, generally, this power exists until the award is made.

In this country, our courts have always excepted from this rule submissions made by order or rule of court ; for a kind of jurisdiction is held to attach to the arbitrators, and the submission is quite irrevocable, except for such causes as make it necessarily inoperative. There is a strong reason why a submission by order of court, or before a magistrate, should be preferred where it can be had, in the fact above stated, that the law permits any party who finds an award is going against him to revoke his submission or reference when he will, before the award is made ;—provided the award was only by agreement out of court, or not before a magistrate. In some of our States, the statutes authorizing and regulating arbitration provide for the revocation of the submission.

It should be stated, however, that, as an agreement to submit is a valid contract, the promise of each party being the consideration for the promise of the other, a revocation of the agreement or of the submission is a breach of the contract, and the other party has his damages. And damages would generally include all the expenses the plaintiff had incurred about the submission, and all that he had lost by the revocation, in any way.

If either party exercise this power of revocation, he must give notice in some way, directly or indirectly, to the other party ; and until such notice, the revocation is inoperative.

The revocation may be implied as well as express ; and would be implied by any act which made it impossible for the arbitrators to proceed. So it was held that bringing a suit for the claim submitted, before an award was "conclusively made," operated a revocation of the submission. So the marriage of a woman works a revocation of her submission ; and it is

held that this is a breach of an agreement to submit, on which an action may be sustained against her and her husband. And the lunacy of a party revokes his submission. And the utter destruction of the subject-matter of the arbitration would be equivalent to a revocation.

We should say that the bankruptcy or insolvency of either or both parties did not necessarily operate as a revocation, unless the terms of the agreement to refer, or the provisions of the insolvent law, require it. But the assignees acquire whatever power of revocation the bankrupt or insolvent possessed, and, generally, at least, no further power.

The death of either party before the award is made vacates the submission, if made out of court, unless that provides in terms for the continuance and procedure of the arbitration, if such an event occur. But it seems to be held in this country that a submission under a rule of court is not revoked or annulled even by the death of a party. So the death or refusal or inability of an arbitrator to act would annul a submission out of court, unless provided for in the agreement; but not one under a rule of court, unless for especial reasons, satisfactory to the court, which would have the appointment of a substitute, if it saw fit to continue the reference.

It may be well to add, that, after an award is fully made, neither of the parties, without the consent of the other, nor either nor all of the arbitrators without the consent of all the parties, have any further control over it.

If the submission provides for any method of delivering the award, this should be followed. If not, it is common for the referees to deliver the award to the counsel for the prevailing party, on payment by him of the fees of arbitration. Then the prevailing party looks to the losing party, for the whole, or a part, or none of the costs, as the award may determine.

The award should be sealed; and addressed to all the parties; and it should not be opened except in presence of all the parties, or of their attorneys, or with the consent of those absent indorsed on the award. If the submission is under a rule of court, it should be returned to court by the arbitrators, or the counsel receiving it, sealed, and opened only in court, or before the clerk, or with the written consent of parties.

FINANCES OF THE STATES.

(Continued from page 347.)

VERMONT.

THE receipts and disbursements of the State of Vermont for the year ending September 1st, 1863, were as follows:

Receipts.

Balance in Treasury Sept 1, 1862.....		\$224,250 41
Receipts from taxes.....	\$727,875 12	
Taxes on foreign bank stock—fees paid by Judges of probate—payments by County Clerks—forfeited bonds, &c...	46,452 18	
	<hr/>	774,327 30
Total receipts from ordinary sources.....		774,327 30
From State bonds issued during the year	\$354,000 00	
Re-payments, by U. S. of war expenses...	332,303 11	
Interest and premium on bonds.....	49,472 24	
Temporary loan act of 1861.....	30,000 00	
“ “ “ 1862.....	351,000 00	
The United States on account of allot- ments of pay to soldier's families.....	737,098 00	
	<hr/>	
Total receipts on account of the war for the year.....		1,853,874 28
		<hr/>
Aggregate receipts and resources for the year.....		\$2,852,451 99

Disbursements.

For General Assembly of 1862.....	\$37,008 60	
Salaries.....	31,037 50	
Courts' Auditors orders.....	97,532 26	
Board of Education and for sundry mis- cellaneous accounts.....	4,285 70	
Special appropriations by the Legislature	12,302 28	
	<hr/>	
Total disbursements for ordinary civil pur- poses.....		182,166 34
Bonds of 1857, paid.....		99,500 00
Military warrants drawn by the Governor.	\$148,956 25	
Extra pay to Vermont soldiers <i>after</i> mus- ter in U. S. service.....	983,332 22	
Direct tax to U. S.....	179,407 80	
Loan of 1861, paid.....	88,000 00	
“ 1862, “	339,000 00	
Payment of balance to 2d Regt.....	337 80	
	<hr/>	
Total of sundry war accounts.....		1,739,024 07
Soldiers' allotments distributed.....		619,658 62

Interest on bonds and loans.....	89,669 21
Aggregate disbursements.....	\$2,730,018 24
Leaving the balance in the State Treasury, September 1st, 1863.....	122,433 75

State Debt September 1, 1863.

The total funded debt of Vermont, Sept., 1863, was \$1,130,723 62. This debt is made up as follows:

Bonds due June 1, 1871.....	\$900,000 00
“ “ “ 1876.....	205,000 00
Due to banks and towns.....	25,723 62
Total funded debt.....	\$1,130,723 62

The current liabilities of Vermont, September 1, 1863, were.....	\$453,478
To meet which the State had resources amounting to..	176,804

Excess of current liabilities..... \$276,674

The estimated ordinary and extraordinary expenses of Vermont, (including the above excess of \$276,674,) for the current year amounted to.....	\$1,336,673
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It was prepared to meet these expenses as follows—By bonds..... \$545,000
By taxes..... 791,673

Total..... 1,336,673

According to the last census, the value of the real estate of Vermont is \$92,205,049; and the personal property, \$122,474,170; making total valuation, \$214,679,219.

WEST VIRGINIA.

The Treasurer of the State of West Virginia, Hon. CAMPBELL TARR, in his report, under date of Jan. 20, 1864, gives the receipts and disbursements of the State, from the date of its organization, June 20th, 1863, to Dec. 31, 1863, as follows:

Receipts.

Treasurer Commonwealth of Virginia....	\$92,866 17
“ “ “	47,734 03
“ “ “	9,399 80
“ “ “	\$150,000 00
“ “ “	25,000 00
Taxes 1861.....	\$6,413 15
“ 1862.....	13,737 14
“ 1863.....	84,494 11
	104,645 40
License tax 1862.....	\$1,696 04
“ “ 1863.....	12,138 28
	13,834 42

Taxes on savings institutions, bank dividends, and dividends on the State's interest in the N. W. Bank of Virginia	9,668 98
Tax on deeds, wills, State seals, &c.	2,053 73
Miscellaneous.....	1,722 97
	<hr/>
	\$306,925 40

Disbursements.

For Legislature, up to Oct. 1, 1863.....	\$18,790 77
“ Constitutional Convention.....	1,830 54
“ Salaries officers of civil government.....	2,375 77
“ Janitor executive offices.....	163 00
“ Expenses clerk “	322 21
“ Lunatics.....	3,091 24
“ Procuring arms, &c.....	11,963 23
“ Civil contingent fund.....	1,805 43
“ Commissioners of the revenue.....	5,036 63
“ Judiciary.....	7,998 20
“ Pay Quarter Master General.....	274 06
“ “ Adjutant General.....	633 33
“ “ Adjutant General's Clerk.....	126 11
“ Contingent expenses Adjutant General's office.....	118 50
“ Militia, State, Nov. 19, 1863.....	1,630 57
“ Special appropriations.....	\$724 47
“ “ “ Dec 7, 1863.....	951 75
“ D. Lamb.....	1,000 00
	<hr/>
	2,676 22
“ Contingent expenses, Auditor's office..	\$215 45
“ “ “ Treasurer's “ ..	71 00
“ “ “ Sec. State's “ ..	182 00
	<hr/>
	468 45
“ Courts of State.....	1,068 09
“ Quarter Master General's office.....	169 85
“ Blind.....	30 90
“ Capitation tax to the counties, refunded.....	3,733 62
“ Taxes refunded that have been overpaid.....	774 61
“ Pay Treasurer's Clerk.....	105 40
“ “ Auditor's “	161 10
“ Criminal Charges.....	5,432 86
“ Pay Legislature up to Jan. 1, 1864.....	26,535 28
	<hr/>
	\$97,315 97
Receipts.....	\$306,925 40
Disbursements.....	97,315 97
	<hr/>
Balance remaining in the Treasury.....	\$209,609 43

Debt.

The Constitution of this new State prohibits the creation of any debt, except to meet “ casual deficits in the revenue, to redeem a previous liability of the State, to suppress insurrection, repel invasion, or defend the

State in time of war." Thus far no debt has been created. An equitable proportion of the public debt of the Commonwealth of Virginia, prior to the first of January, 1861, is to be assumed, and the liquidation of the same is provided for by the creation of a sinking fund. The debt of Virginia Oct. 1, 1860, was as follows:

Amount of 5 and 6 per cent registered debt.....	\$18,758,641 63
Coupon bonds payable in New York.....	12,624,500 00
Sterling bonds (5 per cent), payable in London.....	1,865,000 00
	<hr/>
Total debt Oct. 1, 1860.....	\$33,248,141 63

The State of West Virginia claims that it should assume only that portion of this debt which was incurred for expenditures made within the limits of the State of West Virginia, amounting, probably, to about one fifth or one-sixth of the whole.

KANSAS.]

The following table shows the receipts and disbursements of the State of Kansas for the year 1863:

Receipts.

Amount of taxes received on assessment of 1861.....	\$10,010 35
“ “ “ “ 1862.....	88,333 94
Miscellaneous receipts.....	458 64
On sale of bonds (\$81,000).....	77,150 00
“ \$4,000 7 per cent bonds.....	3,800 00
	<hr/>
	\$179,952 93

Disbursements.

For schools.....	\$11,036 20
State warrants redeemed.....	106,848 00
War bonds redeemed.....	30,500 00
Interest on war bonds.....	5,071 45
War warrants redeemed.....	368 90
Coupons on 7 per cent bonds.....	14,696 50
	<hr/>
	\$168,521 15
Leaving a ballance in the Treasury, on the 31st of December, 1863.....	\$11,231 78

The item in above disbursements of "State warrants redeemed" refers to State liabilities issued in payment of the expenses of the government.

Amount of these warrants issued during 1863 was.....	\$96,790 96
“ war “ “ “ “	30 00
	<hr/>
Amount of warrants issued during 1863.....	\$96,820 96
Interest on State warrants in 1863.....	2,842 77
Amount of warrants outstanding Dec. 31, 1862.....	37,658 32
	<hr/>
Total.....	\$137,322 05

Amount of warrants redeemed during 1863:			
“ “ State warrants.....	\$106,848	10	
“ “ War “	368	90	
			107,217 00

Amount of warrants outstanding Jan. 1, 1864..... \$30,473 95

Debt.

The following is a statement of the funded debt of Kansas:

Amount of 7 per cent bonds.....	\$204,000	00
“ 6 “ “	44,300	00
“ 10 “ “	500	00

Total funded debt..... \$248,800 00

If we add to this the warrants still outstanding:

As above..... \$30,973 00

We have the whole debt of the State..... \$279,273 15

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### IS THE PRINCIPAL OF THE FIVE-TWENTY U. S. BONDS PAYABLE IN GOLD.

In the February number, page 129, (referring to the 10-40 stock) we remarked that the “law authorizing it provides that it shall be paid, *principal and interest* in gold, whereas the law authorizing the 5-20’s provides only that the *interest* shall be paid in gold.” Since then several of our subscribers have written us, questioning the correctness of our assertion respecting the 5-20 stock, and asking for an explanation. We have not, however, referred to the subject again, thinking its discussion could do no good, and knowing that no words could make the statement clearer, since the simple reading of the two acts is all that is necessary to convince even the most skeptical. Last month, however, we published two letters written by the Hon. E. G. SPAULDING, in one of which he states, in substance, that the *principal* as well as interest of the 5-20 bonds is payable in coin; and we have now received a letter calling attention to this disagreement between our statement and Mr. SPAULDING’s assertion, and intimating quite plainly that as he introduced the bill, he must be right and we wrong. The following is the letter; and, lest we may be considered as endorsing, by our silence, the error of Mr. SPAULDING, (as we published it) we add a few words in reply:

NEW YORK, May 26th, 1864.

WM. B. DANA, Esq.:

DEAR SIR.—In the MERCHANTS’ MAGAZINE for February, article “Commercial Chronicle and Review,” we find it stated that the law authorizing the 5-20 U. S. six per cent bonds provides only that the *interest* shall be paid in gold; whereas, the 10-40 five per cent bonds are payable, *principal* and interest, in gold. In the May number of the MAGAZINE you published two letters of ELY SPAULDING to MORRIS KETCHUM,

in the first of which Mr. SPAULDING affirms that the 5-20 bonds are payable *principal* and interest in gold. On the strength of your article in February we have confidently contended that the 10-40 bonds offered an advantage over the 5-20's in this particular. Mr. SPAULDING says he introduced the bill authorizing the 5-20 bonds, and he probably is correct in his statement. Would'nt it be well, in the next number of the MAGAZINE, to notice the apparent inconsistency between the article in February and Mr. SPAULDING's letter?

Respectfully yours,

O. C. & K.

I. Of course, by publishing Mr. SPAULDING's letters, we do not endorse everything in them. Many of his statements we should take exceptions to, but, at the same time, what he writes contains much wholesome truth and sound doctrine. Yet, when he tells us that a certain act of Congress has in it certain provisions, the only way to determine whether he is correct or not is simply to look at the act itself. We would suggest to our correspondent that his difficulty would have vanished had he adopted this course.

II. The act under which the 5-20's were issued is the one approved by the President February 25, 1862, and is entitled "An Act to authorize the issue of United States notes, and for the redemption or funding thereof, and for funding the floating debt of the United States."—Section 2 of this act is as follows:

Sec. 2: *And be it further enacted*, That, to enable the Secretary of the Treasury to fund the Treasury-notes and floating debt of the United States, he is hereby authorized to issue, on the credit of the United States, coupon bonds, or registered bonds, to an amount not exceeding five hundred millions of dollars, redeemable at the pleasure of the United States after five years, and payable twenty years from date, and bearing interest at the rate of six per centum per annum, payable semi-annually. And the bonds herein authorized shall be of such denominations, not less than fifty dollars, as may be determined upon by the Secretary of the Treasury. And the Secretary of the Treasury may dispose of such bonds at any time, at the market value thereof, for the coin of the United States, or for any of the Treasury-notes that have been, or may hereafter be issued, under any former act of Congress, or for United States notes that may be issued under the provisions of this act; and all stocks, bonds, and other securities of the United States held by individuals, corporations, or associations, within the United States, shall be exempt from taxation by or under State authority.

Certainly there is nothing in this section making any provision respecting the payment of these bonds either *principal* or *interest*; and if our correspondent will carefully read the act, from beginning to end, he will find that in no part of it is it stated that the *principal* of the bonds shall be finally paid in coin: and that is all we asserted in the February number, and we now re-assert it, and challenge any one to point out any such provision.

But we might go one step further than we then did; for it is very evident, we think, that not only does the law not contain any provision that the *principal* shall be paid in gold, but, more than that, by providing that United States notes shall be a legal-tender in payment of "all claims and demands against the United States, except for *interest* upon bonds and notes, which shall be paid in coin," it clearly contemplates that the *principal* of the bond will be finally paid in legal-tenders. The first section of the act authorizing these 5-20's, is as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized to issue, on the credit of the United States, one hundred and fifty millions of dollars of United States notes, not bearing interest, payable to bearer, at the Treasury of the United States, and of such denominations as he may deem expedient, not less than five dollars each: Provided, however, That fifty millions of said notes shall be in lieu of the demand Treasury-notes authorized to be issued by the act of July 17th, 1861; which said demand notes shall be taken up as rapidly as practicable, and the notes herein provided for substituted for them: And provided further, That the amount of the two kinds of notes together, shall at no time exceed the sum of one hundred and fifty millions of dollars, and such notes herein authorized shall be receivable in payment of all taxes, internal duties, excises, debts, and demands of every kind due to the United States, except duties on imports, and of all claims and demands against the United States, of every kind whatsoever, except for interest upon bonds and notes, which shall be paid in coin, and shall also be lawful money, and a legal-tender in payment of all debts, public and private, within the United States, except duties on imports, and interest as aforesaid. And any holders of said United States notes depositing any sum, not less than fifty dollars, or some multiple of fifty dollars, with the Treasurer of the United States, or either of the Assistant Treasurers, shall receive in exchange therefor duplicate certificates of deposit, one of which may be transmitted to the Secretary of the Treasury, who shall thereupon issue to the holder an equal amount of bonds of the United States, coupon or registered, as may by said holder be desired, bearing interest at the rate of six per centum per annum, payable semi-annually, and redeemable at the pleasure of the United States after five years, and payable twenty years from the date thereof. And such United States notes shall be received the same as coin, at their par value, in payment for any loans that may be hereafter sold or negotiated by the Secretary of the Treasury, and may be re-issued from time to time, as the exigencies of the public interest shall require.*

It must be remembered that this is the *first* section of the very same act, the *second* section of which (given above) authorizes the issuing of these 5-20 bonds. Could anything be plainer than that the law contemplates the payment of the principal of these bonds in legal-tenders? Only consider for a moment the words used. After creating the notes, it provides that "such notes \* \* \* shall be receivable in payment of \* \* \* all claims and demands against the United States, of every kind whatsoever, except for interest upon bonds and notes, which shall be paid in coin"; and then, lest that provision might not be broad enough, adds—"and shall also be lawful money and a legal-tender in payment of all debts, public and private, within the United States, except duties on imports and interest as aforesaid." We cannot conceive of words which could more clearly state that the principal of the bonds, authorized by the very next section, is to be paid in legal-tenders. Besides, the exception added, as to the payment of *interest*, makes it impossible to interpret the words in any other manner. In fact there is not room even for a doubt; and until, therefore, our correspondent offers us something more than the mere assertion of Mr. SPAULDING, we shall be compelled to believe that, by the terms of the act, the principal of these bonds is payable in legal-tenders. In this connection it may be of interest to state that, since the passage of the law we have been considering, five others have been passed by Congress respecting United States notes, in each

of which a provision somewhat similar to the one we have been commenting upon is contained. The 20th section of the Banking Law also by its terms makes the debt of the United States payable in National Bank notes. As, therefore, the 5-20 act contains no provision making the principal of these bonds payable in coin, we do not see why such principal may not be paid in the notes of National Banks.

The following is section 20th of the Banking Law (for copy of the whole law, see *Merchants' Magazine* for April, 1863):

SEC. 20. *And be it further enacted*, That after any such association shall have caused its promise to pay such notes on demand to be signed by the president, vice-president, and cashier thereof, in such manner as to make them obligatory promissory notes, payable on demand, at its places of business, such association is hereby authorized to issue and circulate the same as money; and the same shall be received at par in all parts of the United States in payment of taxes, excises, public lands, and all other dues to the United States, except for duties on imports, and also for all salaries and other debts and demands owing by the UNITED STATES to individuals, corporations, and associations within the United States, EXCEPT INTEREST ON PUBLIC DEBT; and no such association shall issue post notes or any other note to circulate as money than such as are authorized by the foregoing provisions of this act.

III. It must be remembered, however, that the question we are discussing is not whether these 5-20 bonds *will* be paid in coin or legal-tenders or National Bank notes, but whether the act directs that they *shall* be paid in notes or coin. Most likely they will not be redeemed until the age of greenbacks and National Bank notes has passed away: then, of course, they will be paid in coin. Nor do we consider that the intentions of the Secretary of the Treasury in regard to the matter, affect the question at all. Many persons have written letters to the Secretary about the payment of the principal of these bonds, and have received replies. Did we suppose that he was always to fill that position those letters might be of interest: but not even then in this discussion, since our only inquiry is in regard to the provisions of the act, and not the action of officials under it.

As to the 10-40 bonds, only a word is necessary. By the terms of the act authorizing the issuing of these bonds, the principal and interest are both payable in coin. A copy of the act itself may be found in the April number, page 317, to which we would refer our correspondent.



COMMERCIAL CHRONICLE AND REVIEW.

UNITED STATES PUBLIC DEBT—INTEREST ON SAME, AND RATE OF INCREASE—GOVERNMENT ISSUES OF PAPER MONEY—FIVE PER CENT LEGAL-TENDERS COUPONS—UNCERTAINTY IN PLANS OF TREASURER—EUROPEAN FINANCES AND AMERICAN COTTON—EFFECT OF PEACE—PRICES U. S. PAPER—CONVERSION OF 7 30-100 INTO SIX PER CENTS—SPECIE MOVEMENT—RATES OF EXCHANGE, &C.

The financial situation continues to turn, as a matter of course, upon the large operations of the Treasury Department. At the date of our last there was a good deal of money pressure growing out of the movement to sell exchange and gold. This pressure has passed away, and money has become very plenty without, however, bringing with it much relief to the Treasury, the general policy of which continues to be to borrow at a cheap rate of interest. The periodical returns of the public debt are the best key to the general movement. These returns are not made at regular intervals but appear occasionally. The last five are as follows :

UNITED STATES PUBLIC DEBT.

INTEREST IN COIN.

|                   | Feb. 2.     | March 2.    | March 15.   | May 10.     | May 14.     |
|-------------------|-------------|-------------|-------------|-------------|-------------|
| 4 p. c. tem. lo'n | \$526,092   | \$526,092   | \$18,692    | \$4,450     | \$4,200     |
| 5½ do old debt.   | 67,221,591  | 67,447,412  | 67,447,412  | 66,429,812  | 66,367,812  |
| 5 do 10-40's...   | .....       | .....       | .....       | 44,606,100  | 48,925,500  |
| 6 do 5-20's...    | 503,005,178 | 510,165,446 | 510,740,100 | 510,780,450 | 510,780,450 |
| 6 do 20 yr. '61   | 50,000,000  | 50,000,000  | 50,000,000  | 50,000,000  | 50,000,000  |
| 6 do 20 yr. exc   | .....       | 1,227,000   | 1,935,500   | 3,857,500   | 3,903,000   |
| 6 do Oregon...    | 1,016,000   | 1,016,000   | 1,016,000   | 1,016,000   | 1,016,000   |
| 7 3-10 3 y. 7-30  | 189,586,450 | 188,772,300 | 138,063,800 | 136,141,850 | 136,096,350 |

Total in coin. \$761,805,301 \$769,154,251 \$769,227,504 \$812,836,163 \$817,089,112

INTEREST IN PAPER.

|                   |             |             |             |             |             |
|-------------------|-------------|-------------|-------------|-------------|-------------|
| 4 p. c. tem. lo'n | \$1,000,000 | \$511,300   | \$930,000   | \$724,292   | 724,292     |
| 5 do do           | 30,293,404  | 40,183,919  | 47,207,545  | 33,313,755  | 33,489,643  |
| 5 do 1 yr. l. t.  | .....       | 5,860       | 14,600,000  | 43,000,000  | 43,000,000  |
| 5 do 2 yr. l. t.  | 50,000,000  | 95,502,031  | 115,581,414 | 180,894,887 | 180,894,887 |
| 6 do certif. .... | 137,980,950 | 136,121,650 | 131,098,000 | 146,259,000 | 147,452,000 |

Total in pap'r \$219,274,354 \$272,329,760 \$309,416,959 \$404,191,935 \$405,525,023

NO INTEREST.

|                   |               |               |               |               |               |
|-------------------|---------------|---------------|---------------|---------------|---------------|
| U. S. Notes...    | \$450,785,004 | \$449,119,548 | \$449,073,616 | \$441,254,390 | \$441,224,017 |
| Fractions.....    | 18,246,290    | 18,745,720    | 19,173,320    | 20,547,173    | 20,825,923    |
| T. N. p't due.... | 13,000        | 164,150       | 143,300       | 77,850        | 77,850        |
| Arrears.....      | 21,375,060    | 7,830,817     | 46,971,278    | 47,341,000    | 46,089,000    |

Total no int. \$490,419,355 \$477,860,235 \$515,361,515 \$509,220,313 \$508,216,799

Grand total 1,473,225,714 1,513,702,837 1,596,939,429 1,726,248,411 1,730,870,926

The aggregate increase of debt was, it appears, from Feb. 2 to May 14, as follows :

|                              |                 |    |
|------------------------------|-----------------|----|
| Feb 2, debt outstanding..... | \$1,473,225,714 | 35 |
| May 14, " .....              | 1,730,870,926   | 83 |

Increase 102 days..... \$257,645,212 48

This increase of debt is at the rate of \$2,525,933 a day, or, in round numbers, 1,000 millions per annum. The increase, however, appears to be irregular. It has been, at the different periods when official statements have been given, as follows :

|                    | Days. | Increase of Debt<br>per day. | Amount<br>Out.  |
|--------------------|-------|------------------------------|-----------------|
| June 30, 1863..... | ..    | .....                        | \$1,098,793,181 |
| Sept 30, 1863..... | 92    | \$1,340,000                  | 1,222,113,559   |
| Feb 2, 1864.....   | 123   | 2,041,000                    | 1,473,225,714   |
| March 2, 1864..... | 29    | 1,395,000                    | 1,513,702,837   |
| “ 15, 1864.....    | 13    | 5,550,000                    | 1,596,999,429   |
| May 10, 1864..     | 55    | 2,330,000                    | 1,726,248,411   |
| “ 14, 1864.....    | 4     | 1,130,629                    | 1,730,870,926   |
| July 1, 1864.....  | 48    | 2,525,212                    | 1,850,081,100   |

According to the average increase of the 102 days up to May 14, the debt July 1 will be as stated.

The mode in which the money has been raised since Feb. 2, is seen by comparing the figures of the first and last columns of the table. These show results as follows :

|                                        |                      |
|----------------------------------------|----------------------|
| 1 year legal-tender notes.....         | \$43,000,000         |
| 2 “ “ “ .....                          | 130,894,887          |
| Fractional notes.....                  | 2,579,633            |
| 1 year 6 per cent certificates.....    | 9,471,150            |
| 5 per cent deposit certificates.....   | 3,196,239            |
| <b>Total paper issues.....</b>         | <b>\$189,141,909</b> |
| Sales 5-20's.....                      | \$7,775,272          |
| “ 10-40's.....                         | 48,925,500           |
|                                        | 56,700,772           |
| <b>Increase of arrears.....</b>        | <b>24,713,940</b>    |
| <b>Aggregate increase of debt.....</b> | <b>\$270,556,621</b> |

Thus of the whole increase, only \$56,700,772 was from sales of permanent stock ; the remainder was from issues of paper currency, the increase and importance of which may be more generally illustrated by bringing forward the table that appeared in our last, of the government issues of paper money, corrected by the last official tables that have been published as follows :

|         | Greenbacks.   | Two-year<br>coupons. | Two-year<br>maturity. | One<br>year. | Fractions.   | Total legal<br>tenders. |
|---------|---------------|----------------------|-----------------------|--------------|--------------|-------------------------|
| June 30 | \$387,646,589 | .....                | .....                 | .....        | \$20,192,456 | \$407,839,045           |
| Sept 30 | 402,737,051   | .....                | .....                 | .....        | 17,766,056   | 420,503,107             |
| Dec 1   | 418,245,931   | .....                | .....                 | .....        | 18,010,000   | 436,255,931             |
| Jan 1   | 421,836,781   | \$50,000,000         | .....                 | .....        | 18,120,000   | 489,956,781             |
| Feb 1   | 450,785,004   | 50,000,000           | .....                 | .....        | 18,246,290   | 518,031,294             |
| March 1 | 449,119,548   | 95,502,031           | .....                 | \$5,860      | 18,745,720   | 563,373,159             |
| “ 15    | 449,073,616   | 115,581,414          | .....                 | 14,600,000   | 19,173,330   | 598,428,360             |
| April 1 | 449,073,616   | 115,581,414          | \$29,801,536          | 26,520,000   | 19,981,240   | 640,957,856             |
| May 10  | 441,254,280   | 115,581,414          | 65,313,473            | 43,000,000   | 20,547,173   | 685,696,340             |
| May 14  | 441,224,017   | 115,581,414          | 65,313,473            | 43,000,000   | 20,825,923   | 685,944,827             |

Thus the increase of currency since July last year, has been \$300,000,000, or \$30,000,000 per month, a million per day ; and this constitutes about one half of the aggregate increase of the government debt. The National Banks have, in the same period, added about \$16,000,000 to the currency, the amount of the

new National Bank issues which was in circulation on the 15th ult. being :

|                 |              |
|-----------------|--------------|
| Fives.....      | \$7,012,200  |
| Tens.....       | 8,307,000    |
| Above tens..... | 541,000      |
| Total.....      | \$15,860,200 |

This amount is certainly not much towards the authorized \$300,000,000 of that description of notes, but in ordinary times it would have been a serious addition to the currency. Thus, then, the outstanding currency is increased to \$700,000,000 dependant upon the government action, giving an increase of \$200,000,000 since the 1st of January. The effect of this currency has been counteracted to some extent by the fact that a part of the five per cent coupon legal-tenders have been withheld from circulation for the interest which was due June 1st, at which date the coupon was cut off, and the whole amount then again became currency. These coupons have been the object of a singular action on the part of the Treasury, which has ordered that no one but a government officer should cut the coupon off. This has given rise to a great deal of dissatisfaction, because it was an arbitrary imposition of new conditions to a bargain after it had been consummated.

The notes were issued originally a legal-tender for their face, without the interest. The idea of the Secretary seems to have been to prevent the notes from circulating. In the bill sent to Congress, the distinction between the legal-tender character of the principal and interest was made in order to compel the holder to keep the note to maturity or lose his interest. When, however, he was forced to borrow \$50,000,000 of the banks to pay the troops, September 5, to be repaid in the five per cent notes, the banks stipulated that the notes should bear half-yearly coupons. This was agreed to. When the notes were ready, the rate of money had gone up in the open market, by reason of the operations of the Treasury, from five to nine per cent. It was then perceived that the new note-holders had nothing to do but to cut the coupons off from the notes, keep them for redemption, and pay away the note itself as legal-tender.

To remedy this oversight, the Treasury ordered that the coupon should be cut off only by the government officer. This was an arbitrary rule, and of no legal force. The Secretary had of course no power to go behind the law and his contract with the banks, to make new conditions on penalty of repudiating the debt. The rule was, however, submitted to. It did not stop the circulation of the notes as currency, because money being worth 7 and 8 per cent, and the notes but 5 per cent as an investment, it was worth 3 per cent more to pay them away as currency than to hold them for interest.

The issue of the notes was stopped March 15, when the amount out was \$115,000,000. The coupons now fell due June 1, and the difficulty of having them all cut off by a government officer is so apparent, that the rule is so far abrogated as to require the coupon to be taken off in the presence of a National Bank officer. The banks that lent their money on the notes to the Treasury, to pay the troops, can collect the coupons only on the oath of its officers that the bank is the actual owner of the note given.

The payment of the coupon, June 1st, has caused the whole amount to seek employment as currency. In the mean time the wants of the Treasury are very

pressing. The sales of the 10-40 loan, under the National Bank arrangement, are small as compared with the government wants. Up to May 14, it appears, but \$50,000,000 had been sold. This was due, no doubt, to some extent, to the unfortunate perturbation of the market, caused by the Treasury action in selling gold and exchange to put down the price of gold, which only succeeded in causing a stock revulsion that checked all demand for the loan, except from the National Banks. Meantime, it appears from the table of debt, that there were, May 14, forty-six millions of over-due requisitions, in addition to the pay of the troops.

The call for more troops, indicated in the despatch of the Secretary of War, involves, necessarily, a large amount of money expenditure, as well for outfit, equipment, and bounties, as for transportation back and forth, of new and old troops. The transportation of wounded men, coming North, also swells the demand for money, and the mode of raising this is yet a problem. According to the official return of the debt to May 14, the amount of five per cent legal-tender notes outstanding is \$223,894,887.40, which, deducted from the amount authorized, gives \$176,105,112 as the disposable amount from that date, when \$46,689,000 over-due requisitions were outstanding. This leaves but a small balance with which to meet the accumulating charges upon the Treasury.

There is, also, another resource in the one-year certificates, of which the amount that may be issued is unlimited by law, but the amount out, \$147,000,000, sells at 98 cents per dollar, or equal to 8 per cent per annum interest, when money is worth but 5 per cent. There is a good deal of other paper afloat, in the shape of vouchers and quartermasters' checks, on which money is borrowed by them, but will not command money at better than 7 per cent, because of the formalities that encumber them.

But besides these modes of providing the necessary funds, many others may be resorted to. It is given out now that the Secretary proposes to sell at auction fifty to one hundred millions of six per cents. This, however, has not been officially announced as yet. As this uncertainty serves to unsettle and check business, we hope that whatever plan is adopted will soon be made known, and the money raised. The country is ready to furnish the means, and is only anxious that it should be raised with the least possible waste.

The wants of the coming year, or twelve months from June 1, will be—say about one thousand millions. As a similar amount has been raised in the past year, in great part, as we have seen, by the aid of paper money, it becomes an important question how this can be best met.

The policy of the Treasury is, as we have said, indirect taxation and cheap loans. The success of this policy depends eminently upon a cheap money market. It is quite obvious that with a contracting currency there will be falling prices, reduced production of commodities, and dear money. In such a state of affairs indirect taxes will fall short of the estimates, and money cannot be borrowed at five per cent. The loans that have been obtained in the last year were through the cheapness of money, rise in prices, and apparent prosperity, caused by paper money. To borrow at five per cent, all those features will require to be exaggerated, and this certainly cannot be done by curtailing the volume of paper money, or by making war upon the old banks, the machinery of which is so essential to the promotion of productive business. The enormous amount of money required

can only be procured, after so large a drain upon the national resources as has been made in the last three years, by some attention to the business convenience of the country.

The industry and the trade of the country are the means by which capital is created. If these are oppressed and hampered, the amount of production ceases, and the sources of government revenues are gradually dried up. The larger the demands upon the national capital the more necessary is it to nurture the means by which it is produced. The most disastrous influence upon business is uncertainty, and uncertainty in relation to the mode of raising such large sums of money is the most deleterious of all. To go on and borrow at five per cent requires a great and continual abundance of money, to change this policy and borrow at the market rate will cause a higher rate of money. Whichever plan, therefore, is adopted, the mercantile interest requires that it should be known—that there should be no uncertainty about it.

In view of the progress of military events, also, the influence of peace should be taken into account by all, and this is a very grave question. The effects of the war are now apparently but beginning to show themselves upon the finances of Europe. The last advices were of a rise in the rate of interest to 9 per cent, a rate higher than it has been since 1857, and perhaps never before at this season of the year, which is not that in which usually the greatest drain is made upon specie reserves. The rising prices of cotton, and the increased quantities required from sources that are not ready to take anything but specie in return, are permanent causes of an enhanced rate of money in England. This occurs, too, in a year when, happily, through good harvests, the rates of food are very low, and the necessity of buying much does not present itself. The cause will continue to operate, however, after renewed demand for foreign food will have set in. Meantime, the rise there impels more rapid remittances of money from this country and must greatly affect exchanges. The supply of cotton in England is by no means sufficient in quantity, and the quality is deceptive. For example, in a recent case a manufacturer purchased some Surat at 13d. per lb. Not only was it short in ultimate staple, but before this ultimate staple could be arrived at, it had lost 50 per cent in the process—a costly process too—of cleaning. So that the cleaned Indian cotton in reality cost the manufacturer 26d per lb.—or very nearly the present price of middling Orleans. None of the cotton purchased at all answers the purposes of the United States cotton, which would, as ever, instantly have the preference. Hence the return of peace and the opening of the Southern ports will involve a demand for money, for cotton, tobacco, rice, naval stores, &c., which can be counted by hundreds of millions. A bale of cotton at this moment is worth \$350. In ordinary years the number of bales produced in the South is 4,000,000. If there should be but 2,000,000 to sell on the return of peace, the value would be \$700,000,000. But the cotton would fall in price, and might realize \$500,000,000. The suspended looms of Europe and England and the North would all contribute their quota to pay the enormous sum, of which a large proportion would be specie. Rice would require \$10,000,000; tobacco \$50,000,000; naval stores as much. In return, of course, an immense amount of goods would be required.

To purchase the material, to produce the goods, to transport them, will require capital that is now unemployed, and this sudden and large demand for



money thus created, could not but have a very serious influence upon the value of existing investments, and, of course, to an extraordinary extent upon the operations of the Treasury Department, since the expenses of the government could not suddenly be brought to an end.

The price of money in New York during the past 30 days, has been falling. The high rates that existed in April, caused money to get to the centre, and the demand for money decreased. The decline in the stock business is no doubt one of the chief reasons for the diminished demand for money. The comparative approximate amount of stock operations are as follows :

| Week to       | Stock Shares. | Value.       | Bonds.    | Bank Clearings. |
|---------------|---------------|--------------|-----------|-----------------|
| April 9.....  | 461,954       | \$51,580,209 | 3,084,900 | \$658,352,112   |
| April 30..... | 207,620       | 25,952,500   | 2,213,500 | 446,587,420     |
| May 6.....    | 163,967       | 19,677,700   | 2,275,100 | 410,052,014     |

Thus the stock transactions of the last week were not forty per cent of those of April 9, a decline of \$32,000,000, and the clearings diminished \$248,000,000, which would indicate that the stock checks are manipulated nine times before reaching the Clearing-house.

The prices of general stocks were as follows :

PRICES UNITED STATES PAPER.

|              | —6's, 1881.—      |                   | 5's, 1874. | 7 3-10, 3 years.  | 1 year certif.    |                  | Gold.                                 |
|--------------|-------------------|-------------------|------------|-------------------|-------------------|------------------|---------------------------------------|
|              | Reg.              | Coup.             |            |                   | Old.              | New.             |                                       |
| January 2..  | 104 $\frac{1}{2}$ | 105 $\frac{1}{2}$ | 96         | 106 $\frac{1}{2}$ | 101 $\frac{1}{2}$ | 97 $\frac{1}{2}$ | 151 $\frac{1}{2}$ a 151 $\frac{1}{2}$ |
| " 9..        | 104 $\frac{1}{2}$ | 105 $\frac{1}{2}$ | 96         | 166 $\frac{1}{2}$ | 102               | 97 $\frac{1}{2}$ | 152 a 152 $\frac{1}{2}$               |
| " 16..       | 104               | 105 $\frac{1}{2}$ | 96         | 106 $\frac{1}{2}$ | 102 $\frac{1}{2}$ | 97 $\frac{1}{2}$ | 155 a 155 $\frac{1}{2}$               |
| " 23..       | 106               | 107               | 97         | 107               | 103               | 97               | 156 a 158                             |
| " 30..       | 106 $\frac{1}{2}$ | 106               | 100        | 107 $\frac{1}{2}$ | 102 $\frac{1}{2}$ | 97 $\frac{1}{2}$ | 156 $\frac{1}{2}$ a 156 $\frac{1}{2}$ |
| February 6.. | 107 $\frac{1}{2}$ | 107 $\frac{1}{2}$ | 100        | 108               | 102 $\frac{1}{2}$ | 98 $\frac{1}{2}$ | 159 $\frac{1}{2}$ a 159 $\frac{1}{2}$ |
| " 13..       | 109 $\frac{1}{2}$ | 109 $\frac{1}{2}$ | 100        | 109 $\frac{1}{2}$ | 103               | 98 $\frac{1}{2}$ | 159 $\frac{1}{2}$ a 159 $\frac{1}{2}$ |
| " 20..       | 111 $\frac{1}{2}$ | 110               | 100        | 111               | 103               | 99 $\frac{1}{2}$ | 159 $\frac{1}{2}$ a 161               |
| " 27..       | 111 $\frac{1}{2}$ | 110 $\frac{1}{2}$ | 100        | 111               | 103               | 99 $\frac{1}{2}$ | 159 $\frac{1}{2}$ a 161               |
| March 5..    | 111 $\frac{1}{2}$ | 111               | 100        | 111               | 103 $\frac{1}{2}$ | 99 $\frac{1}{2}$ | 161 $\frac{1}{2}$ a 161 $\frac{1}{2}$ |
| " 12..       | 112               | 112               | 100        | 110 $\frac{1}{2}$ | 103               | 99 $\frac{1}{2}$ | 162 $\frac{1}{2}$ a 162 $\frac{1}{2}$ |
| " 19..       | 112               | 112 $\frac{1}{2}$ | 106        | 110 $\frac{1}{2}$ | 103               | 99 $\frac{1}{2}$ | 162 a 162 $\frac{1}{2}$               |
| " 26..       | 112               | 112 $\frac{1}{2}$ | 100        | 111 $\frac{1}{2}$ | 103               | 99 $\frac{1}{2}$ | 169 $\frac{1}{2}$ a 179               |
| April 2..    | 111               | 110               | 100        | 111               | ...               | 99 $\frac{1}{2}$ | 166 $\frac{1}{2}$ a 167 $\frac{1}{2}$ |
| " 9..        | 112               | 112               | 102        | 111 $\frac{1}{2}$ | ...               | 99 $\frac{1}{2}$ | 169 $\frac{1}{2}$ a 170               |
| " 16..       | 107 $\frac{1}{2}$ | 112 $\frac{1}{2}$ | 102        | 112               | ...               | 99               | 173 a 189                             |
| " 23..       | 105 $\frac{1}{2}$ | 108               | 109        | 109               | ...               | 97               | 174 $\frac{1}{2}$ a 179               |
| " 30..       | 114               | 114               | 102        | 111               | ...               | 98 $\frac{1}{2}$ | 179 $\frac{1}{2}$ a 179 $\frac{1}{2}$ |
| May 7..      | 113               | 113               | 102        | 109 $\frac{1}{2}$ | ...               | 98 $\frac{1}{2}$ | 173 $\frac{1}{2}$ a 173 $\frac{1}{2}$ |
| " 14..       | 114               | 114 $\frac{1}{2}$ | 102        | 111               | ...               | 98 $\frac{1}{2}$ | 172 $\frac{1}{2}$ a 172 $\frac{1}{2}$ |

The Treasury has given notice in regard to the conversion of the three-year 7-30 notes. These notes were issued under the Act of July 17, 1861, and by its terms are exchangeable at any time, before or at maturity, for six per cent bonds of the Acts of July 17 and August 5, 1861, when presented in sums of not less than \$500. The three-years' notes were issued, bearing date of August 19 and October 1, 1861, and become due after August 19 and October 1, 1864. Holders of the notes of either date are notified that they may be presented for immediate exchange for six per cent bonds, with full coupons, drawing interest to July 1, 1864, up to which date interest will be paid, without delay, on the three-years' notes, at the rate of 7 30-100 per cent per annum. The interest found to be due to July 1, 1864, will be transmitted by the United States Treasurer's

draft, payable in coin. The six per cent bonds, which are exchanged for the principal of the three-years' notes, will be issued, drawing interest from July 1, 1864, the date up to which the three-years' notes are settled, and will be transmitted as fast as they can be conveniently prepared. Parties wishing to exchange the three-years' notes in the above manner must send them to the Treasury Department in sums of \$500, or its multiple, indorsed, "Pay to the Secretary of the Treasury for redemption," which indorsement must be signed by the party on whose account they are to be exchanged. They must be accompanied by a letter stating the numbers, denominations and dates of the notes, and the kind, registered or coupon, and denomination of the six per cent bonds wanted in exchange. The six per cent coupon bonds are of the denomination of \$500 and \$1,000, and the registered bonds are of the denominations of \$500, \$1,000, \$5,000 and \$10,000. When registered bonds are ordered, parties must state at which of the following places they wish the interest to be paid, viz.: New York, Philadelphia, Boston, Baltimore or New Orleans.

The suspension of the sale of gold, gold certificates, and exchange by the Treasury, lessened the demand for money. The pay of the troops recurring again May 1, however, caused a demand for greenbacks to send to the army, and the Treasury sold exchange, on the 20th of May, at 97. The specie movement has been as follows:

## SPECIE AND PRICE OF GOLD.

|         | 1862.       |              | 1863.     |            | Gold in bank. | Prem. on gold. |
|---------|-------------|--------------|-----------|------------|---------------|----------------|
|         | Received.   | Exported.    | Received. | Exported.  |               |                |
| Jan. 2  | .....       | 681,448      | 254,239   | 590,262    | 25,161,935    | 51½ a 52       |
| 9       | 1,277,788   | 726,746      | .....     | 1,216,204  | 25,122,002    | 51¾ a 52       |
| 16      | .....       | 1,380,247    | 279,801   | 1,985,057  | 24,884,264    | 52½ a 56½      |
| 23      | 678,841     | 780,817      | 365,608   | 1,000,000  | 24,631,204    | 56 a 58        |
| 30      | .....       | 1,331,027    | 324,864   | 668,747    | 24,203,632    | 56½ a ...      |
| Feb. 6  | 301,860     | 1,277,000    | .....     | 662,616    | 24,070,191    | 49½ a ...      |
| 13      | 359,937     | 1,152,846    | 363,198   | 1,219,803  | 23,521,453    | 95 a ...       |
| 20      | .....       | 520,017      | .....     | 325,632    | 22,523,918    | 59 a ...       |
| 27      | 285,394     | 1,377,016    | 407,057   | 531,700    | 22,301,687    | 165 a 61       |
| March 5 | 1,243,551   | 733,643      | 512,358   | 629,803    | 21,220,653    | 61½ a 62       |
| 12      | .....       | 3,540,550    | .....     | 465,920    | 20,750,495    | 62 a 69        |
| 19      | 249,514     | 1,201,907    | 281,004   | 83,881     | 21,059,512    | 62 a 62½       |
| 26      | 159,105     | 1,050,156    | 375,101   | 273,900    | 20,425,504    | 69½ a 70½      |
| Apr. 2  | 250,778     | 473,885      | 273,429   | 168,912    | 19,527,665    | 63¾ a 68¾      |
| 9       | .....       | 607,059      | 302,344   | 345,471    | 20,924,287    | 67 a 71        |
| 16      | 217,602     | 158,437      | 269,522   | 1,002,384  | 21,687,670    | 71 a 89        |
| 23      | 256,604     | 629,855      | .....     | 3,226,000  | 24,868,203    | 72½ a 79       |
| 30      | .....       | 294,998      | 282,376   | 1,271,836  | 24,087,343    | 77 a 85        |
| May 7   | 205,057     | 451,827      | 232,276   | 1,174,241  | 23,082,023    | 71 a 81        |
| 14      | .....       | 661,996      | .....     | 2,452,668  | 22,635,155    | 61¾ a 76¾      |
| 21      | 258,570     | 438,745      | 383,428   | 1,884,195  | 22,091,691    | 73 a 85        |
| Total   | \$6,583,703 | \$17,455,966 | 5,756,603 | 21,700,930 |               |                |

This does not include \$5,000,000 sent by the Government to London, and against what bills were sold in New York. The large importations had caused a steady and regular demand for bills, but the passage of the new tariff bills adding 50 per cent to all duties for 60 days, and which went into operation April 27, caused very large removals of goods from warehouse, and by so doing checked, for a time, remittances, which were, however, resumed actively, causing a rise in the price of gold. The rates of exchange were as follows:

## RATES OF EXCHANGE.

|           | London.     | Paris.        | Amsterdam. | Frankfort. | Hamburg.  | Berlin.     |
|-----------|-------------|---------------|------------|------------|-----------|-------------|
| Jan. 2.,  | 166 a 166½  | 3.38½ a 3.34½ | 62½ a 63   | 62½ a 63½  | 55½ a 56  | 110½ a 111  |
| " 9.,     | 166½ a 167½ | 3.38½ a 3.40  | 62½ a 63   | 62½ a 63½  | 55½ a 56½ | 110½ a 111  |
| " 16.,    | 169½ a 170½ | 3.30 a 3.32½  | 64 a 64½   | 64½ a 64½  | 56½ a 57½ | 112½ a 113½ |
| " 23.,    | 170 a 171   | 3.31 a 3.33   | 64½ a 64½  | 64½ a 65   | 56½ a 57  | 112½ a 113½ |
| " 30.,    | 171 a 172   | 3.32½ a 3.28½ | 64½ a 64½  | 64½ a 65   | 57½ a 57½ | 113½ a 114  |
| Feb. 6.,  | 174 a 175   | 3.26½ a 3.23½ | 65½ a 66½  | 65½ a 66   | 58 a 58½  | 115 a 116   |
| " 13.,    | 173 a 174½  | 3.27½ a 3.23½ | 65 a 65½   | 65½ a 65½  | 58½ a 58½ | 115½ a 116  |
| " 20.,    | 172½ a 174  | 3.27½ a 3.23½ | 65½ a 65½  | 65½ a 65½  | 58½ a 58½ | 115½ a 116  |
| " 27.,    | 173½ a 174  | 2.26½ a 3.22  | 65½ a 65½  | 65½ a 66   | 58½ a 58½ | 115½ a 116½ |
| Mar. 5.,  | 174½ a 175½ | 3.25 a 3.21½  | 65½ a 66½  | 66 a 66½   | 58½ a 59  | 116 a 117   |
| " 12.,    | 177 a 178   | 3.15 a 3.18½  | 66 a 66½   | 67 a 67½   | 59 a 59½  | 117½ a 118  |
| " 19.,    | 176 a 177   | 3.22½ a 3.18½ | 65½ a 66½  | 66 a 66½   | 58½ a 59  | 116 a 117   |
| " 26.,    | 179½ a 182  | 3.15 a 3.10   | 67½ a 68½  | 68 a 68½   | 60½ a 61  | 120 a 121   |
| April 2., | 177½ a 181  | 3.18½ a 3.12½ | 66½ a 67   | 67 a 67½   | 59½ a 60½ | 118 a 120   |
| " 9.,     | 184 a 185   | 3.08 a 3.06½  | 68½ a 69   | 68½ a 69½  | 61½ a 62  | 121½ a 122  |
| " 16.,    | 189 a 191   | 2.97½ a 2.95  | 70 a 71    | 70½ a 71½  | 62½ a 64½ | 127 a 128   |
| " 23.,    | 190 a 192   | 3.05½ a 2.95  | 71½ a 71½  | 71½ a 72   | 62½ a 63½ | 124 a 125   |
| " 30.,    | 195 a 198   | 2.90 a 2.85   | 73 a 74    | 73½ a 74½  | 65 a 66   | 130 a 131   |
| May 7.,   | 192 a 195   | 2.96½ a 2.90  | 72 a 73    | 72½ a 73½  | 63½ a 64½ | 126 a 127   |
| " 14.,    | 192 a 187   | 2.95 a 3.02   | 71½ a 70½  | 71½ a 71   | 62½ a 63  | 124 a 125   |

With the rise in gold, and the difficulty of getting large gold to ship, the banking houses were disposed to sell bills for gold only. The small gold on the market is worth less by ½ per cent to shippers than the double eagles. Per steamer of the 20th of April, the government came suddenly into the market and sold exchange at 97, about 3 per cent under the market rate. This enabled some houses to sell the gold they had previously purchased to ships, and replace it with government bills at a profit. The gold against which the government bills are drawn was shipped to Messrs. Baring Brothers, from San Francisco, as will appear from the following :

SAN FRANCISCO, April 18, 1864.

In reply to your strictures upon our report of the Treasure Shipments from this port, permit me to give the following explanation :

On the 3d Feb, by the St. Louis, the U. S. Assistant Treasurer shipped, secretly, \$2,000,000, and again on the 13th, by the Constitution, \$1,500,000.

Those amounts were not on the steamers' manifests, consequently their destination was unknown, but they were supposed to have gone to New York. We have since ascertained that the money went to England, and have made the proper corrections, both for the above amounts and also for a subsequent shipment of \$1,500,000 of the same nature, (in all \$5,000,000) made on the 3d March, per Golden City.

\* \* \* \* \*

Respectfully, your obedient servant,

J. H. F.

These funds are now probably all exhausted, but it will be observed that the gold was sent to London many weeks before the bill authorizing sales of gold passed Congress. There have been no direct specie dealings between France and the United States, but with England the account was thus :

|                     | —1863—     |          | —1864—     |         |
|---------------------|------------|----------|------------|---------|
|                     | Gold.      | Silver.  | Gold.      | Silver. |
| Imports.....        | £2,495,750 | £319,750 | £1,631,976 | £23,308 |
| Exports.....        | 1,767      | .....    | 6,537      | 4,631   |
| Excess Imports..... | £2,493,983 | £319,750 | £1,625,439 | £18,077 |

There have been diminished receipts of gold this year from the United States, but the exports of leading articles of British merchandise to the United States were as follows :

|                      | 1863        |            | 1864       |            |
|----------------------|-------------|------------|------------|------------|
| Cotton, yards.....   | £33,378,605 | £699,023   | 31,324,124 | £809,530   |
| Linsens.....         | 21,823,567  | 556,774    | 27,680,899 | 914,917    |
| Silk.....            | 142,828     | 26,385     | 214,258    | 38,498     |
| Worsted.....         | 13,180,068  | 510,444    | 23,127,007 | 959,851    |
| Worsted Cloths.....  | 1,906,757   | 225,394    | 3,083,732  | 400,654    |
| Carpets.....         | 385,783     | 51,056     | 963,185    | 176,752    |
| Wool, lbs.....       | 16,775      | 587        | 422,050    | 24,877     |
| Millinery.....       | ....        | 253,936    | ....       | 465,527    |
| Iron, pig, tons..... | 11,448      | 33,284     | 17,395     | 55,623     |
| Iron, bar.....       | 14,113      | 122,607    | 29,571     | 281,888    |
| Iron, railroad.....  | 1,516       | 14,380     | 39,420     | 295,677    |
| Total.....           |             | £2,493,863 |            | £4,423,794 |

Thus the value of the articles enumerated was nearly double. In case of cotton goods, we have paid \$500,000 more for 2,000,000 yards less goods; and linen has become an important item. These figures show the progress that importations have made in the last three months.

The importations of goods continue on a very large scale; meanwhile, the exports of produce are greatly reduced. The demand for bills is, therefore, accumulating, and points to a very large autumn demand.

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## JOURNAL OF BANKING, CURRENCY, AND FINANCE.

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AMENDMENT TO NATIONAL BANKING LAW—DEPOSITS WITH U. S. BANKS—STATE BANKS, RETURNS OF NEW YORK, CONNECTICUT, WISCONSIN, AND RHODE ISLAND—CIRCULATION OF STATE BANKS—FIVE PER CENT LEGAL-TENDERS—BANK OF ENGLAND—BANK OF FRANCE—CIRCULATION OF THE UNITED KINGDOM—MEXICAN LOAN.

THE National Banking Law has been before Congress for some time, has undergone repeated revision in both houses, and, after being referred to a conference committee, finally passed both houses June 1st. One of its provisions, looking to the merging of State Banks under its authority, was in the form of a bill passed by the Legislature, but failed to receive the sanction of the governor. This bill we gave in our last number.

The National Bank bill having first passed the House, was sent to the Senate where it was amended in many particulars. On the 24th of May it came up again in the House; and many of the amendments of the Senate were concurred in.

The Senate had amended the 12th section of the bill, which provides that shareholders shall be held individually responsible, by adding an exception, that the shareholders of any banking association now existing under the laws having not less than five millions of capital actually paid in, and a surplus of twenty per centum on hand, both to be determined by the comptroller of the currency, shall be liable only to the amount invested in their shares, and such surplus shall be kept undiminished, and be

in addition to the surplus provided for in this act, and if at any time there shall be a deficiency in said surplus of twenty per centum, the banking association shall not pay any dividends to its shareholders until such deficiency shall be made good, and in case of such deficiency the comptroller of the currency may compel the banking association to close its business and wind up its affair, under the provisions of this act.

The House concurred in the above by 68 against 34.

The House limited the entire amount of notes for circulation to three hundred millions of dollars. The Senate has amended it by making the limit apply to either the circulation or capital stock.

The House non-concurred in this amendment by a vote of 57 against 77, leaving the limit to apply to the circulation alone.

The House—96 against 23—concurred in the Senate's amendment that the comptroller, upon the terms prescribed by the Secretary of the Treasury, may permit an exchange to be made of any of the bonds deposited with the Treasurer by an association for other bonds of the United States, authorized by this act to be received as security for circulating notes. If he shall be of opinion that an exchange can be made without prejudice to the United States.

The House had fixed the rate of interest at not exceeding seven per cent per annum.

The Senate struck this out and substituted, that the association may charge the rate allowed by the State or territory where the bank is located and no more, except that where, by the laws of any State, a different rate is limited for banks of issue organized under State laws, and in that case the rate so limited shall be allowed for associations organized in any State under this act, and when no rate is fixed by the State or territory, the bank may receive or charge a rate not exceeding seven per centum, &c.

The House concurred in this by yeas 56, nays 52.

Mr. STEVENS said that the most important part of the bill had thus been stricken out, and he, therefore, moved to lay it on the table.

This was disagreed to by a vote of 55 against 72.

It is useless however, to speculate on the final condition of this bill until we receive an official copy; but, we think, the indications are that it will contain less evil and more good than was intended by its originators. In the meantime, it is weaning from the Secretary many of his best friends.

The number of banks that have filed papers under the law is nearly 440, with a nominal aggregate capital of \$63,281,000, not a very large proportion of which, however, has been paid in. The institutions go into operation when one-third the capital is paid up, and circulate to the amount obtained from the department. One third of \$63,281,000 is about \$21,000,000, and the most recent returns to the close of April, gave the circulation of the new banks at \$16,000,000. It may be possible that \$20,000,000 has been paid in as capital to the new institutions—the main incentive for the establishment of which is the use of the public money without interest, and without security. In the items of the public debt, published May 10th and May 12th, is given the official statement of money in the Treasury subject to draft. The draft statement gave the following item:

Unpaid requisitions..... \$47,341,008

The money on hand was reported as follows:

|                                    | On<br>Deposit. | Subject<br>to Draft. |
|------------------------------------|----------------|----------------------|
| In United States depositories..... | \$24,755,300   | \$17,983,742         |
| In National Banks.....             | 27,481,352     | 26,302,686           |
| Total on hand.....                 | \$52,236,652   | \$44,286,378         |

It appears from this return that the amount of public money lying idle in the



National Banks, without interest and without security, exceeds the whole actual capital of those institutions paid in, and is nearly double the amount of the circulation got out by those banks. The account stands thus :

|                                                    |              |
|----------------------------------------------------|--------------|
| Money withheld from public creditors.....          | \$47,341,000 |
| Money lent to National Banks without interest..... | 26,302,636   |
| Secured circulation of National Banks.....         | 15,881,201   |

This plan of setting up a system of National Banks on the government money, is certainly not one either desirable or practicable. The most solid organizations under the law are in New York. But these do not derive their strength from the law ; some of them are mere loan offices, and agents of the government, and will not survive the present borrowing exigencies of the department. Others, conducted on sound banking principles, with a view to commercial advantages; will survive, no matter what may be the destination of the National Bank plan, the organization of which shows decided symptoms of weakness. The quarterly report, required by the law, and which was due April 1st, has not yet made its appearance.

The State Banks, as a general thing, have been reducing their outstanding obligations, but their assets are comprised largely of the United States promises. The banks of the State of New York are as follows. The returns of the two preceeding quarters may be found page 223 of the March number :

CONDITION OF THE BANKS OF THE STATE OF NEW YORK, ON THE 12TH OF MARCH, 1864.

*Resources.*

|                                                                          |             |               |
|--------------------------------------------------------------------------|-------------|---------------|
| Loans and discounts.....                                                 |             | \$200,399,286 |
| Over-drafts.....                                                         | \$5,559 and | 536,926       |
| Due from banks.....                                                      |             | 23,753,048    |
| Due from directors.....                                                  | 7,048,824   |               |
| Due from brokers.....                                                    | 23,883,815  |               |
| Real estate.....                                                         | 8,250 and   | 8,521,359     |
| Specie.....                                                              |             | 22,146,592    |
| Cash items.....                                                          |             | 105,350,120   |
| Stocks, promisory, and U. S. 7 3-10 notes and indebted certificates..... | 781,800 &   | 117,159,241   |
| Bonds and mortgages.....                                                 |             | 4,915,315     |
| Bills of solvent banks and U. S. demand notes.....                       |             | 33,159,241    |
| Bills of suspended banks.....                                            | 67 and      | 245           |
| Loss and expense account.....                                            |             | 786,180       |
| Add for cents.....                                                       |             | 910           |
| Total.....                                                               |             | \$516,727,137 |

*Liabilities.*

|                                                                       |               |
|-----------------------------------------------------------------------|---------------|
| Capital.....                                                          | \$109,370,105 |
| Circulation.....                                                      | 30,974,850    |
| Profits.....                                                          | 12,724,700    |
| Due banks.....                                                        | 55,613,860    |
| Due individuals and corporations other than banks and depositors..... | 5,604,308     |
| Due Treasurer of the State of New York.....                           | 3,813,957     |
| Due depositors on demand.....                                         | 291,662,726   |
| Amount due others, not included in the above heads.....               | 2,962,113     |
| Add for cents.....                                                    | 518           |
| Total.....                                                            | \$516,727,137 |

Three hundred and ten banks doing business and all reported. The more

noticeable features of the report are a decrease in specie, bonds and mortgages, and circulation, and an increase in government securities and currency and deposits. The bank of Havana, Elmira Bank, International Bank, Leonardsville Bank, Lincoln Bank, Merchants' Bank of Erie County, and New York Exchange Bank, are closing their business as fast as practicable.

The very large amount of government securities, amounting to 10 per cent in excess of the capital, is a marked feature in the returns. The city bank returns quarterly we gave in our last number.

The following is a statement of the leading features of the banks of the State of New York for a number of quarters:

|                     | Circulation. | Deposits.     | Specie.      | Discounts.    |
|---------------------|--------------|---------------|--------------|---------------|
| September 1861..... | \$23,015,748 | \$111,895,016 | \$38,089,727 | \$176,055,848 |
| March 1862.....     | 28,330,973   | 121,988,259   | 34,301,092   | 162,017,987   |
| June 1862.....      | 33,727,382   | 150,438,244   | 32,882,693   | 184,501,261   |
| September 1862..... | 37,557,373   | 186,390,795   | 39,283,981   | 165,584,063   |
| December 1862.....  | 39,182,819   | 191,537,897   | 37,803,047   | 178,922,536   |
| March 1863.....     | 35,506,606   | 221,544,347   | 36,302,438   | 183,864,089   |
| June 1863.....      | 32,261,462   | 218,717,725   | 40,250,309   | 183,617,433   |
| September 1863..... | 33,423,230   | 233,611,282   | 31,071,759   | 203,462,460   |
| December 1863.....  | 36,934,255   | 222,645,314   | 26,685,669   | 193,781,315   |
| March 12, 1864..... | 30,974,850   | 291,662,726   | 22,146,592   | 200,399,286   |

The returns of the banks of Connecticut have been as follows:

|                       | July, 1863.  | Jan., 1864.  | April, 1864. |
|-----------------------|--------------|--------------|--------------|
| Capital.....          | \$21,891,897 | \$21,959,542 | \$21,606,962 |
| Circulation.....      | 11,371,866   | 12,981,550   | 11,869,701   |
| Deposits.....         | 9,432,549    | 9,777,596    | 9,996,643    |
| Specie.....           | 1,471,102    | 1,440,105    | 1,198,872    |
| U. S. securities..... | 7,662,500    | 7,615,743    | 7,073,283    |
| Loans and dis.....    | 23,050,889   | 31,045,313   | 28,569,876   |

The last statement of the banks of Rhode Island shows the following aggregates:

|                  | Banks<br>in<br>Providence. | Banks<br>out of<br>Providence. |
|------------------|----------------------------|--------------------------------|
| Capital.....     | \$16,006,650               | \$5,147,739                    |
| Specie.....      | 349,748                    | 121,644                        |
| Loans.....       | 24,026,886                 | 7,684,799                      |
| Deposits.....    | 4,812,866                  | 1,812,435                      |
| Circulation..... | 3,981,776                  | 2,131,943                      |

The banks of Wisconsin, to May 1, showed returns as follows:

|              | Securities. | Circulation. |
|--------------|-------------|--------------|
| April 1..... | \$2,731,201 | \$2,651,293  |
| May 1.....   | 2,705,346   | 2,635,673    |

The circulation, it will be observed, has declined \$6,000,000 in the three months to March 12. If we compare such returns of the State banks as present themselves, we have the following figures of circulation:

|                   | Jan. 1863.   | March 1864.  |
|-------------------|--------------|--------------|
| New York.....     | \$39,182,819 | \$30,974,850 |
| Maine.....        | 6,488,478    | 6,424,920    |
| Connecticut.....  | 13,842,753   | 11,869,701   |
| Rhode Island..... | 6,413,404    | 6,113,119    |
| Wisconsin.....    | 2,671,201    | 2,635,673    |
| Total.....        | \$48,508,660 | \$58,018,273 |

Thus, these institutions have shown a decrease of more than ten millions in circulation, during a period in which the paper currency has increased four hundred millions, and the National Banks \$16,000,000.

The weekly returns of the Banks of the three cities present some marked features this month. Those of New York city show a continued and large increase of deposits, which have been attracted to the city by the high rate of money. The same feature in the Philadelphia and Boston Banks shows a decrease, as do also the loans, while New York Banks show an increase of loans. These latter are, however, mostly the re-deposits of the accumulating money with the government on short paper. The disposition of the large amount of 5 per cent. legal tender notes, with half-yearly coupons held by the banks, has been a matter of discussion. It has been proposed that the Secretary of the Treasury should raise the rate of the deposit certificates to 6 per cent, and make them payable at ten days notice, without the thirty days now required. It was supposed that the banks would, in this case, be glad to deposit the legal-tender on those terms, and thus supply the Treasury wants while making their own means more available.

## NEW YORK BANKS.

| NEW YORK BANKS. ( <i>Capital, Jan., 1864, \$—</i> ; <i>Jan., 1863, \$69,494,577.</i> ) |               |              |              |               |               |  |
|----------------------------------------------------------------------------------------|---------------|--------------|--------------|---------------|---------------|--|
| Date.                                                                                  | Loans.        | Specie.      | Circulation. | Net Deposits. | Clearings.    |  |
| January 2,...                                                                          | \$174,714,465 | \$25,161,935 | \$6,103,331  | \$140,250,856 | \$300,753,147 |  |
| " 9,...                                                                                | 173,009,701   | 25,122,002   | 6,032,546    | 134,861,977   | 337,546,217   |  |
| " 16,...                                                                               | 165,991,170   | 23,884,264   | 6,008,182    | 130,311,046   | 416,962,806   |  |
| " 23,...                                                                               | 162,925,880   | 24,077,513   | 5,049,807    | 130,136,203   | 460,811,543   |  |
| " 30,...                                                                               | 162,296,896   | 24,203,632   | 5,913,553    | 130,665,415   | 427,306,608   |  |
| February 6,...                                                                         | 163,076,846   | 24,070,791   | 5,974,762    | 133,849,042   | 425,430,985   |  |
| " 13,...                                                                               | 165,090,329   | 23,521,453   | 5,916,707    | 140,464,616   | 467,751,745   |  |
| " 20,...                                                                               | 163,302,935   | 22,523,918   | 5,903,394    | 148,014,106   | 514,887,411   |  |
| " 27,...                                                                               | 174,928,205   | 22,301,687   | 5,907,851    | 154,875,059   | 575,442,304   |  |
| March 5,...                                                                            | 182,317,378   | 21,188,034   | 5,937,167    | 158,999,668   | 518,951,433   |  |
| " 12,...                                                                               | 189,757,746   | 20,750,405   | 5,918,807    | 163,044,977   | 638,822,273   |  |
| " 19,...                                                                               | 198,229,513   | 21,059,542   | 5,889,197    | 169,637,975   | 618,338,858   |  |
| " 26,...                                                                               | 199,372,437   | 20,425,504   | 5,514,139    | 163,315,904   | 576,253,989   |  |
| April 2,...                                                                            | 203,993,131   | 19,526,665   | 5,708,908    | 171,151,297   | 676,372,745   |  |
| " 9,...                                                                                | 204,333,192   | 20,924,237   | 5,804,511    | 170,513,020   | 658,352,112   |  |
| " 16,...                                                                               | 198,703,699   | 21,637,670   | 5,779,650    | 168,350,790   | 646,593,643   |  |
| " 23,...                                                                               | 196,286,722   | 24,868,003   | 5,679,947    | 161,973,166   | 672,442,840   |  |
| " 30,...                                                                               | 194,157,495   | 24,087,343   | 5,626,978    | 164,578,919   | 446,537,420   |  |
| May 7,...                                                                              | 192881,246    | 23,082,028   | 5,594,332    | 163,562,197   | 410,052,013   |  |
| " 14,...                                                                               | 194,178,921   | 22,635,155   | 5,482,357    | 174,426,682   | 413,552,127   |  |
| " 21,...                                                                               | 197,356,939   | 22,091,691   | 5,367,355    | 173,111,884   | 486,884,114   |  |
| " 28,...                                                                               | 195,813,462   | 21,973,180   | 5,240,812    | 171,765,696   | 410,972,198   |  |

## PHILADELPHIA BANKS.

PHILADELPHIA BANKS. (*Capital, Jan., 1863, \$11,740,080; 1862, \$11,970,130.*)

| Date.      | Loans.       | Specie.     | Circulation. | Deposits.    | Due to banks. | Due from banks. |
|------------|--------------|-------------|--------------|--------------|---------------|-----------------|
| Jan. 4,... | \$35,698,808 | \$4,153,585 | \$2,055,811  | \$29,378,920 | \$4,316,763   | \$2,963,563     |
| " 11,...   | 35,458,967   | 4,158,235   | 2,050,891    | 30,434,227   | 4,001,473     | 2,814,183       |
| " 18,...   | 34,896,842   | 4,158,125   | 2,044,427    | 31,194,351   | 4,330,120     | 3,063,148       |
| " 25,...   | 34,849,959   | 4,103,065   | 2,047,846    | 32,354,253   | 3,500,693     | 2,905,921       |
| Feb. 1,... | 34,345,126   | 4,108,109   | 2,056,532    | 32,027,147   | 3,453,431     | 3,271,906       |
| " 8,...    | 34,146,677   | 4,102,671   | 2,066,069    | 31,033,030   | 4,080,059     | 2,461,873       |
| " 15,...   | 34,590,830   | 4,102,748   | 2,069,061    | 29,911,704   | 4,322,609     | 2,080,750       |
| " 22,...   | 35,059,676   | 4,102,588   | 2,119,488    | 30,783,741   | 4,463,751     | 2,099,773       |
| " 29,...   | 35,519,704   | 4,102,848   | 2,167,343    | 31,435,753   | 4,337,264     | 2,114,227       |
| Mar. 7,... | 35,913,334   | 4,102,632   | 2,208,492    | 31,712,547   | 5,323,316     | 2,116,042       |

| Date.       | Loans.     | Specie.   | Circulation. | Deposits.  | Due to banks. | Due from banks. |
|-------------|------------|-----------|--------------|------------|---------------|-----------------|
| Mar. 14,... | 35,956,678 | 4,099,707 | 2,308,250    | 32,511,405 | 5,508,146     | 2,333,819       |
| " 21,...    | 36,412,923 | 4,099,664 | 2,340,132    | 32,835,038 | 6,933,974     | 2,428,227       |
| " 29,...    | 36,695,415 | 4,096,401 | 2,357,768    | 33,156,496 | 5,791,191     | 2,724,935       |
| April 4,... | 37,262,220 | 4,095,495 | 2,390,092    | 34,404,607 | 5,641,638     | 3,425,805       |
| " 11,...    | 37,032,110 | 4,093,461 | 2,379,827    | 35,958,444 | 5,855,277     | 3,799,151       |
| " 18,...    | 39,535,334 | 4,095,387 | 2,329,590    | 38,174,046 | 5,748,257     | 3,291,176       |
| " 25,...    | 39,570,567 | 4,095,475 | 2,253,386    | 37,393,247 | 6,067,966     | 2,592,465       |
| May 2,...   | 39,770,426 | 3,972,349 | 2,241,885    | 37,758,836 | 6,374,531     | 2,730,540       |
| " 9,...     | 39,639,436 | 3,967,263 | 2,152,827    | 37,466,311 | 6,636,576     | 2,786,080       |
| " 16,...    | 39,262,695 | 3,964,522 | 2,131,919    | 37,638,814 | 6,580,548     | 2,853,894       |

## BOSTON BANKS.

BOSTON BANKS. (*Capital, Jan., 1863, \$38,231,700; Jan., 1862, \$38,231,700.*)

| Date.       | Loans.       | Specie.     | Circulation. | Deposits.    | Due to banks. | Due from banks. |
|-------------|--------------|-------------|--------------|--------------|---------------|-----------------|
| Jan. 4,...  | \$76,805,343 | \$7,503,889 | \$9,625,043  | \$32,525,679 | \$12,831,000  | \$12,351,500    |
| " 11,...    | 77,747,734   | 7,531,195   | 10,185,615   | 31,524,185   | 12,703,600    | 11,019,000      |
| " 18,...    | 75,877,427   | 7,464,511   | 9,963,389    | 31,151,240   | 12,041,000    | 11,769,000      |
| " 25,...    | 74,146,000   | 7,440,000   | 9,729,000    | 30,893,000   | 11,106,700    | 12,227,000      |
| Feb 1,...   | 73,959,175   | 7,385,413   | 9,660,163    | 30,655,782   | 10,825,000    | 11,854,500      |
| " 8,...     | 71,765,122   | 7,265,104   | 9,579,020    | 30,030,292   | 11,315,000    | 12,272,000      |
| " 15,...    | 71,088,849   | 7,224,924   | 9,741,471    | 30,412,647   | 11,615,000    | 13,448,000      |
| " 22,...    | 71,074,000   | 7,215,500   | 9,411,000    | 31,381,000   | 11,329,600    | 14,925,400      |
| " 29,...    | 72,189,003   | 7,179,310   | 9,371,440    | 33,155,888   | 12,224,603    | 16,189,724      |
| Mar. 7,...  | 72,687,363   | 7,108,519   | 9,606,318    | 33,688,017   | 12,313,829    | 16,535,992      |
| " 14,...    | 72,105,111   | 7,052,181   | 9,490,311    | 33,891,204   | 12,704,181    | 17,315,231      |
| " 21,...    | 73,207,121   | 7,033,721   | 9,548,211    | 35,090,181   | 13,092,531    | 17,266,741      |
| " 28,...    | 73,485,514   | 7,016,086   | 9,210,096    | 34,859,508   | 13,352,706    | 17,071,732      |
| April 4,... | 71,838,506   | 6,856,708   | 9,442,082    | 32,861,609   | 13,601,005    | 15,786,091      |
| " 11,...    | 72,620,348   | 6,932,192   | 10,447,916   | 33,324,978   | 15,094,360    | 17,362,371      |
| " 18,...    | 72,328,896   | 6,869,726   | 10,331,806   | 33,510,054   | 14,447,997    | 17,054,244      |
| " 25,...    | 72,538,611   | 6,952,498   | 10,938,991   | 31,810,971   | 14,715,981    | 15,790,498      |
| May 2,...   | 71,270,181   | 6,642,798   | 10,127,097   | 31,461,499   | 14,206,581    | 14,206,592      |
| " 9,...     | 69,471,481   | 6,716,484   | 10,215,811   | 31,172,584   | 12,801,000    | 16,239,000      |
| " 16,...    | 68,838,581   | 6,644,493   | 10,126,473   | 31,633,071   | 12,500,671    | 16,201,083      |
| " 23,...    | 66,682,510   | 6,573,181   | 9,899,193    | 36,605,131   | 11,871,719    | 15,733,691      |

## BANK OF ENGLAND.

The circumstances which, in former numbers, we have pointed out as operating to produce a permanently higher rate of money in England and on the Continent, began again to make themselves felt in the middle of April, and the rate of interest at the Bank of England again rose to 7 per cent. The position of the Bank of France is very weak for this time of the year, at which specie is generally withdrawn for the provinces; and, under these circumstances, the English market is at any moment liable to be laid under contribution to supply their wants. The recent creations of new shares in the London market, and the considerable dealings in them, naturally tend to the greater dearth of money, as in consequence of the difficulties attending their transfer, bankers and credit institutions are disinclined to lend upon securities not easily negotiable, and which have been carried up to very high quotations. Rates are, therefore, exacted in proportion to the risk, with the result of attracting money from more solid investments, at a moment when the requirements of trade are gradually assuming increased importance. These circumstances, followed by a renewed demand for money for India, produced such results that the Bank Directors have, in the

week ending May 7, announced two successive alterations in the rate of discount. On the 2d, it was advanced to 8 per cent; and in the course of the 6th, the further rise to 9 per cent was determined upon. One object of the rise is to attract supplies of capital and bullion to England from the Continent. On former occasions a less rise has had a marvellous effect, and it was expected that such would be the case now, and, accordingly, such a change in the current of money was brought about that the rate was reduced to 8 per cent on the 20th.

England is advancing bullion to India and other countries to pay for cotton. The cotton arrives there first, and a considerable amount is exported as raw material, and a much larger amount in a manufactured form. England thus lays for a long time out of her money, till the coin advanced to the ryot or grower is returned by the long-dated and complex interchanges of trade. It is evident that the rise in the rate of discount, if sufficiently high, tends to attract bullion from foreign countries, and, what is even more important, that it enables her to retain whatever bullion comes from Australia and the other producing countries. This operation is counteracted to some extent by the raising of the rate of interest on the Continent.

The Bank of France, May 7, advanced their minimum rate to 7 per cent; and again, on the 12th, to 8 per cent; and the Bank of Berlin a few days previous notified a rise of  $\frac{1}{2}$  per cent, from  $4\frac{1}{2}$  to 5. In the Continental markets generally money is abundant from the stoppage of trade caused by the war, but the tendency is upwards.

The returns of the Bank of England are as follows:

THE BANK OF ENGLAND RETURNS.

| Date.          | Circulation. | Public Deposits. | Private Deposits. | Securities. | Coin and Bullion. | Rate of Discount. |
|----------------|--------------|------------------|-------------------|-------------|-------------------|-------------------|
| Dec. 2, . . .  | 21,685,732   | 7,234,894        | 12,924,545        | 31,980,889  | 13,048,475        | 8 per cent.       |
| “ 9, . .       | 20,801,207   | 8,629,856        | 12,981,276        | 32,622,659  | 13,008,617        | 8 “               |
| “ 16, . . .    | 20,382,764   | 9,103,738        | 13,265,068        | 32,303,049  | 13,675,474        | 7 “               |
| “ 23, . . .    | 20,273,799   | 10,266,546       | 12,711,637        | 32,270,286  | 14,217,067        | 7 “               |
| “ 30, . . .    | 20,686,538   | 10,811,991       | 13,021,212        | 33,438,154  | 14,362,605        | 7 “               |
| Jan. 6, '64    | 21,322,304   | 10,001,982       | 13,052,604        | 33,486,952  | 14,196,754        | 7 “               |
| “ 13, . . .    | 21,396,420   | 5,264,097        | 15,411,794        | 31,726,575  | 11,708,597        | 7 “               |
| “ 20, . . .    | 21,445,793   | 5,689,074        | 13,879,877        | 31,445,860  | 12,974,109        | 8 “               |
| “ 27, . . .    | 20,875,825   | 6,337,246        | 13,406,627        | 31,017,449  | 13,022,220        | 8 “               |
| Feb. 3, . . .  | 21,162,626   | 6,748,867        | 13,372,981        | 31,436,334  | 13,303,243        | 8 “               |
| “ 10, . . .    | 20,708,113   | 7,254,682        | 12,882,226        | 36,925,317  | 13,472,271        | 7 “               |
| “ 17, . . .    | 20,696,172   | 7,079,789        | 13,306,156        | 31,078,328  | 13,583,635        | 7 “               |
| “ 24, . . .    | 20,207,871   | 8,153,601        | 12,426,673        | 30,504,827  | 13,819,412        | 6 “               |
| March 2, . . . | 20,840,374   | 7,893,633        | 13,541,278        | 31,980,446  | 14,034,222        | 6 “               |
| “ 9, . . .     | 20,563,325   | 8,663,364        | 12,434,975        | 31,769,311  | 13,884,359        | 6 “               |
| “ 16, . . .    | 20,333,112   | 8,570,711        | 13,105,800        | 31,929,164  | 13,916,943        | 6 “               |
| “ 23, . . .    | 20,566,705   | 9,441,323        | 12,380,154        | 32,112,543  | 14,499,201        | 6 “               |
| “ 30, . . .    | 20,908,644   | 10,280,458       | 12,658,986        | 33,472,484  | 14,163,519        | 6 “               |
| April 6, . . . | 21,528,914   | 9,818,880        | 13,348,299        | 34,223,509  | 13,616,762        | 6 “               |
| “ 12, . . .    | 21,785,597   | 5,929,922        | 13,586,029        | 31,385,305  | 13,080,300        | 6 “               |
| “ 20, . . .    | 21,672,783   | 5,787,329        | 13,684,069        | 31,596,179  | 12,743,302        | 7 “               |
| “ 27, . . .    | 21,484,602   | 6,217,965        | 12,620,036        | 30,961,635  | 12,567,776        | 7 “               |
| May 4, . . .   | 22,045,792   | 6,981,132        | 12,278,903        | 32,070,427  | 12,454,244        | 9 “               |

The following returns show the state of the note circulation of the United Kingdom during the four weeks ending April 2, 1864, compared with the previous month:



## NOTE CIRCULATION OF THE UNITED KINGDOM.

|                        | March 5, 1864. | April 2, 1864. | Increase. | Decrease. |
|------------------------|----------------|----------------|-----------|-----------|
| Bank of England.....   | £20,057,054    | £20,035,846    | ....      | £21,208   |
| Private Banks.....     | 3,105,613      | 3,135,256      | £29,643   | ....      |
| Joint Stock Banks..... | 2,862,762      | 2,952,159      | 89,397    | ....      |
| Total in England....   | 26,025,429     | 26,123,261     | 97,832    | ....      |
| Scotland.....          | 3,996,743      | 3,921,138      | ....      | 74,605    |
| Ireland.....           | 5,562,559      | 5,533,451      | ....      | 29,108    |
| United Kingdom....     | 35,584,731     | 35,578,850     | ....      | 5,881     |

And as compared with the month ending the 4th of April, 1863, the above returns show an increase of £369,724 in the circulation of notes in England, and an increase of £568,388 in the circulation of the United Kingdom.

It will be remembered that, at the time of the re-charter of the Bank of England in 1844, the circulation of the county and private banks was limited to a figure which should represent the average issues of the banks for the previous five years. That was taken as a safe point beyond which the right to circulate notes should not be allowed. On comparing the above with the fixed issues of the several banks the following is the state of the circulation:—The English private banks are below their fixed issue £1,129,886, the English joint-stock banks are below their fixed issue £322,199,—total below fixed issue in England £1,452,085: the Scotch banks are above their fixed issue £1,172,857; the Irish banks are below their fixed issue £821,043. The average stock of bullion held by the Bank of England in both departments during the month ending the 30th March was £14,111,013, being an increase of £383,628 as compared with the previous month, and a decrease of £649,742 when compared with the same period last year. The following are the amounts of specie held by the Scotch and Irish banks during the month ending the 2d of April:—Gold and silver held by the Scotch banks, £2,359,490; gold and silver held by the Irish banks, £1,899,707; total, £4,259,197; being a decrease of £38,972 as compared with the previous return, and a decrease of £30,322 when compared with the corresponding period of last year.

The following singular notice explains itself, and illustrates the speculative tendency of the markets in London. It would be long before the proprietors of a company here would complain that the public thought too well of their shares.

To Mr. SLAUGHTER, Secretary to the Stock Exchange.

SIR,—We have observed with great concern and regret the recent extensive speculation in the shares of this Bank, and have heard it alleged that the Directors are concerned therein. We, therefore, take the somewhat unusual course of stating to you, for the information of the members of the house, that we have not in any way, directly or indirectly, assisted in producing the late extraordinary rise in the premium on the shares; and as we are well aware that it must be prejudicial to the interests of *bona fide* investors to allow the shares to serve as the medium of merely speculative operations, we have no hesitation in saying that, although the business is progressing in a satisfactory manner, there is nothing whatever in its present position to justify the recent rapid advance in the price of the shares.—We are, Sir, your obedient servants,

(Signed,) H. G. GORDON, H. LITLEDALE,  
JOHN PENDER, WM. MCNEILL,  
THOS. REES, ROBT. GILLESPIE,  
SAMUEL STIFF, JOHN GILCHRIST,  
ARCHIBALD BOYD, WM. RENNIE,

Directors of the British and American Exchange Banking Corporation, Limited.  
1 Bank Buildings, Lothbury, London, E.C., 6th May, 1864.

## BANK OF FRANCE.

The returns of the Bank of France shows less strength, although the rate of interest was, as stated, raised to 7 per cent, and, on the 12th May, to 8 per cent. It was again reduced to 7 per cent, May 20. The returns are as follows :

## BANK OF FRANCE.

|          | Loans.          | Specie.        | Circulation.   | Deposits.      | Interest. |
|----------|-----------------|----------------|----------------|----------------|-----------|
| January  | —fr.751,649,983 | fr.169,027,010 | fr.813,490,825 | fr.159,797,667 | 7         |
| February | — 705,516,796   | 182,573,888    | 775,096,775    | 160,110,225    | 7         |
| March    | — 642,135,993   | 195,994,738    | 746,610,375    | 142,925,719    | 6         |
| April    | — 643,570,276   | 219,320,720    | 759,926,425    | 133,701,530    | 6         |
| May      | — 683,332,517   | 242,824,609    | 767,443,475    | 178,434,305    | 8         |

There was a gain in specie, and a very considerable rise in deposits.

It will be remembered that the Bank of France had undertaken to issue small notes some weeks since. A bill has become a law to reduce the standard of small coins, of the lower denominations of silver coin—that is those of 2f, 1f, 50c, and 20c—from 900 of pure silver per 1000 to 835—its object being to prevent their being exported. The objection having been made that it was not prudent to disturb the value of the franc, which is the basis of the French monetary system, the Minister of Finance consented to confine this bill to the lowest coins—those of 50c and 20c; and in that shape it has passed the Corps Legislatif. The existing 50c and 20c are to be withdrawn from circulation, and are to cease to have legal currency at a date to be hereafter fixed. Authorization is given to coin 30,000,000f of such pieces of the new standard, and in addition to issue a further quantity equal to that withdrawn. As there has long been an insufficiency of small silver coin, whereby great inconvenience was occasioned, the new bill will be useful.

The Credit Mobilier has not made a public announcement of the amount subscribed for the Mexican loan, but it notified subscribers that they might receive their *titres* on the 16th May. It appears that after all the subscription was not successful, only about nine millions having been advanced.

## CONFEDERATE TREASURY NOTES.

THE *Richmond Sentinel* gives the following figures, for which it says it is indebted to the politeness of the Registrar of the Treasury :

## STATEMENT OF THE ISSUE OF NON-INTEREST BEARING TREASURY NOTES SINCE THE ORGANIZATION OF THE CONFEDERATE GOVERNMENT.

|                   |                  |
|-------------------|------------------|
| Fifty cents ..... | \$911,258 50     |
| Ones .....        | 4,882,000 00     |
| Twos .....        | 6,086,820 00     |
| Fives .....       | 79,090,315 00    |
| Tens .....        | 157,982,750 00   |
| Twenties .....    | 217,425,120 00   |
| Fifties .....     | 188,088,200 00   |
| Total .....       | \$973,277,868 50 |

## STATEMENT SHOWING THE AMOUNT OF NON-INTEREST BEARING TREASURY NOTES OUTSTANDING ON MARCH 31, 1864.

|                                          |                  |
|------------------------------------------|------------------|
| Act May 16, 1861—Two year notes.....     | \$7,201,375 00   |
| Act Aug. 19, 1861—General currency.....  | 154,356,631 00   |
| Act April 19, 1862—Ones and twos.....    | 4,516,509 00     |
| Act Oct. 18, 1862—General currency.....  | 118,997,321 50   |
| Act March 23, 1863—General currency..... | 511,182,566 50   |
| Total.....                               | \$796,264,403 00 |

From these two statements it appears that \$177,022,960 50 of the non-interest-bearing issues have been redeemed and canceled. This amount included only such notes as have been regularly canceled and destroyed in pursuance of warrants from the Treasury. There is always in the hands of the depositories notes not yet reported for destruction. We have heard the amount thus held at present, apart from the four per cent funding, estimated at ten millions.

There is but little doubt that the funding, east and west of the Mississippi, will amount to \$300,000,000. The total issue outstanding March 31 is thereby reduced say to \$485,000,000. Of this, a considerable portion, probably \$100,000,000, is in \$100 notes. Excluding these, we have \$385,000,000 left, of which the issues of \$5 and under amount to \$90,969,898 50. Suppose \$85,000,000 of these are now in circulation, and we have for all others \$300,000,000 which the tax of one-third has reduced to \$200,000,000. The total circulation at the present time, irrespective of the new issue, is, therefore, largely less than \$300,000,000, and of this a considerable amount is always to be found in the hands of the disbursing officers and depositories.

We have not included in the above any estimates of the amount of circulation lost or destroyed, and thereby gained to the Government. It is doubtless considerable.

The amount of currency which has been canceled and destroyed (irrespective of the operations of the present currency law), is nearly 20 per cent of the whole issue. If this reduction be applied to the five dollar notes, the amount of these in circulation would appear to be \$63,272,252.

## RAILWAY, CANAL, AND TELEGRAPH STATISTICS.

RAILWAYS OF THE UNITED KINGDOM, FRANCE, AND THE UNITED STATES,  
THEIR LENGTH, COST, RECEIPTS, &c.

## RAILWAYS OF GREAT BRITAIN AND IRELAND.

THE following table, prepared from the returns of the companies, shows at a glance every important particular respecting the Railways of the United Kingdom from the year 1842 to, and including, 1863. Not only are the traffic receipts and capital of the railways, published weekly, here given, but also the capital and receipts on certain inferior railways, which do not appear in the weekly publications. These smaller undertakings thus included have a capital of £9,350,000; the aggregate length is 710 miles; and the year's receipts, about £544,700. Of these, £5,500,000 have been expended on 290 miles of English

lines, £2,550,000 on 312 miles of Scotch lines, and £1,300,000 on 108 miles of Irish lines; the estimated aggregate traffic being £350,000 on the English lines, \$154,700 on the Scotch lines, and £40,000 on the Irish lines.

LENGTH, CAPITAL, YEARLY RECEIPTS, ETC., OF THE RAILWAYS OF THE UNITED KINGDOM.

| Year.     | Capital Expended on Railways open for Traffic. | Average Cost per mile. | Total Traffic Receipts. | Average Receipts per mile for the year. | Working Expenses, Rates, and Taxes, Per Cent. | Length of Line open at end of year. Miles. | Per Centage of Traffic to Receipts on Capital Expended, Per Cent. | Per Centage of Profit on Capital Expended, Per Cent. |
|-----------|------------------------------------------------|------------------------|-------------------------|-----------------------------------------|-----------------------------------------------|--------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------|
| 1842..... | £54,380,100                                    | £33,363                | £4,470,700              | £2,743                                  | 40                                            | 1,630                                      | 8.23                                                              | 4.93                                                 |
| 1843..... | 60,637,100                                     | 34,929                 | 5,022,650               | 2,895                                   | 40                                            | 1,730                                      | 8.28                                                              | 4.94                                                 |
| 1844..... | 66,882,100                                     | 34,290                 | 5,814,980               | 2,982                                   | 40                                            | 1,950                                      | 8.70                                                              | 5.22                                                 |
| 1845..... | 75,646,100                                     | 33,726                 | 6,909,270               | 3,080                                   | 40                                            | 2,243                                      | 9.13                                                              | 5.48                                                 |
| 1846..... | 87,765,100                                     | 30,903                 | 7,945,870               | 2,797                                   | 42                                            | 2,840                                      | 9.05                                                              | 5.25                                                 |
| 1847..... | 114,728,000                                    | 30,924                 | 9,277,670               | 2,501                                   | 42                                            | 3,710                                      | 8.08                                                              | 4.69                                                 |
| 1848..... | 154,200,000                                    | 33,333                 | 10,545,100              | 2,253                                   | 42                                            | 4,626                                      | 6.77                                                              | 4.06                                                 |
| 1849..... | 197,000,000                                    | 33,110                 | 11,683,800              | 2,000                                   | 42                                            | 5,950                                      | 5.93                                                              | 3.44                                                 |
| 1850..... | 250,622,730                                    | 34,236                 | 13,142,235              | 1,944                                   | 42                                            | 6,733                                      | 5.70                                                              | 3.31                                                 |
| 1851..... | 236,841,420                                    | 34,186                 | 14,987,310              | 2,163                                   | 42                                            | 6,923                                      | 6.32                                                              | 3.67                                                 |
| 1852..... | 248,093,590                                    | 33,316                 | 15,543,610              | 2,118                                   | 45                                            | 7,337                                      | 6.27                                                              | 3.44                                                 |
| 1853..... | 263,636,320                                    | 33,912                 | 17,920,530              | 2,305                                   | 44                                            | 7,774                                      | 6.80                                                              | 3.80                                                 |
| 1854..... | 273,860,000                                    | 34,113                 | 20,000,000              | 2,491                                   | 46                                            | 8,028                                      | 7.30                                                              | 3.93                                                 |
| 1855..... | 291,903,000                                    | 35,425                 | 21,123,315              | 2,567                                   | 47                                            | 8,240                                      | 7.24                                                              | 3.90                                                 |
| 1856..... | 298,946,260                                    | 34,122                 | 22,995,500              | 2,525                                   | 48                                            | 8,761                                      | 7.69                                                              | 4.00                                                 |
| 1857..... | 305,153,670                                    | 33,492                 | 24,162,465              | 2,634                                   | 48                                            | 9,171                                      | 7.37                                                              | 4.19                                                 |
| 1858..... | 315,950,000                                    | 33,000                 | 23,763,764              | 2,484                                   | 48                                            | 9,568                                      | 7.52                                                              | 3.91                                                 |
| 1859..... | 322,219,100                                    | 32,603                 | 25,576,100              | 2,588                                   | 48                                            | 9,883                                      | 7.94                                                              | 4.13                                                 |
| 1860..... | 329,827,200                                    | 33,106                 | 27,576,783              | 2,685                                   | 47½                                           | 10,273                                     | 8.37                                                              | 4.39                                                 |
| 1861..... | 342,386,100                                    | 31,633                 | 28,263,374              | 2,614                                   | 48                                            | 10,811                                     | 8.25                                                              | 4.30                                                 |
| 1862..... | 355,107,280                                    | 31,113                 | 28,350,612              | 2,532                                   | 48                                            | 11,386                                     | 8.12                                                              | 4.22                                                 |
| 1863..... | 373,249,200                                    | 31,354                 | 30,498,660              | 2,562                                   | 48                                            | 11,904                                     | 8.17                                                              | 4.25                                                 |

Of the £30,498,660 received during the past year, the following fourteen great

companies received £23,582,241, against \$22,558,602 in 1862, showing an increase of £993,639. The following table shows the traffic receipts, &c., of the great companies, as compiled from the returns for the years 1862 and 1863 :

|                          | Receipts    |             | Increase.  |
|--------------------------|-------------|-------------|------------|
|                          | 1863.       | 1862.       |            |
| Caledonian.....          | £871,677    | £804,343    | £67,329    |
| Great Eastern.....       | 1,539,751   | 1,476,898   | 62,853     |
| Great Northern.....      | 1,523,252   | 1,466,529   | 56,723     |
| Great Southern & West'n  | 427,456     | 422,459     | 4,997      |
| Great Western.....       | 3,067,613   | 3,020,434   | 47,179     |
| Lancashire & Yorkshire.  | 1,813,700   | 1,699,619   | 111,081    |
| London & North-West'n    | 4,912,846   | 4,685,776   | 227,070    |
| London & Brighton.....   | 976,463     | 1,000,016   | —*         |
| London & South-West'n    | 1,143,219   | 1,159,917   | 33,302     |
| Manchester & Sheffield.. | 806,321     | 738,966     | 67,355     |
| Midland.....             | 2,177,705   | 2,064,353   | 113,352    |
| North British.....       | 655,201     | 590,225     | 64,976     |
| North-Eastern.....       | 2,524,409   | 2,373,554   | 150,885    |
| South-Eastern.....       | 1,142,628   | 1,135,508   | 7,120      |
| Total receipts.....      | £23,582,241 | £22,588,602 | £1,017,192 |
| Deduct.....              | 22,588,602  | Decrease    | 23,553     |
| Increase.....            | £993,639    |             | £993,639   |

During the International Exhibition from 1st of May to 31st of October, 1862, the receipts on the Great Eastern showed an increase of £35,265; the Great Northern, an increase of £67,031; the Great Western, an increase of £143,256; the London and North-Western, an increase of £154,184; the London, Brighton and South Coast, an increase of £44,998; the South-Western, an increase of £80,998; the Midland, an increase of £40,200, and the South-Eastern, an increase of £62,294—making, together, a total increase of £617,566 during the International Exhibition, as compared with the corresponding period of 1861. But during the same period in the past year, the receipts on the Great Eastern showed an increase over those during the exhibition of £5,785; the Great Northern, an increase of £518; the Great Western, a decrease of £24,379; the London and North-Western, an increase of £67,388; the London and Brighton, a decrease of £45,081; the London and South-Western, a decrease of £23,315; and the South-Eastern, a decrease of £23,442. The total increase amounted to £125,285, and the decrease to £116,216; showing an increase of £9,068, as compared with the same period of the exhibition year. The total increase of seven of those lines, for the whole year 1863, as above shown, amounted to £552,579; and the decrease, on the London and Brighton, to £23,553.

But the above table, besides showing us the progress made in 1863, even over the exhibition year, also shows the increase, in the United Kingdom, of railway capital expenditure, the extension of the mileage, and the increase in the traffic receipts for the past twenty-one years. During the first seven years, from 1842 to 1849, additional capital to the amount of £142,619,900 was expended, and 4,220 miles of additional railway were opened, producing an increase in the traffic of £6,213,100. In the next seven years, from 1849 to 1856, the additional capital expended was £101,946,260; the additional mileage opened during that

\* Decrease on London and Brighton, £23,553.



period was 2,811 miles, and the additional traffic receipts £11,311,700; and in the seven years ending 1863, the additional capital expenditure amounted to £74,299,940, the mileage opened to 3,143 miles, and the additional traffic receipts to £7,503,160. So that the additional outlay in the first seven years appears to have produced only an additional traffic equivalent to 5.06 per cent on the extra capital, and, consequently, the per centage of traffic to receipts was reduced from 8.22 per cent 1842 to 5.93 per cent in 1849, and the net profit from 4.93 per cent to 3.44 per cent. But the public obtained an additional mileage of 4,320 miles. The additional outlay in the next seven years, from 1849 to 1856, appears to have produced an additional traffic equivalent to 11 per cent on the extra capital, and, consequently, had the effect of raising the per centage of traffic receipts to capital in 1849 from 5.93 per cent to 7.69 per cent in 1856, and the net profit on the capital expended from 3.44 per cent to 4 per cent in 1856, giving the public the advantage of a further length of 2,811 miles; and in the last seven years the additional outlay seems to have produced an additional traffic of 10.1 per cent on the extra capital, and, consequently, had the effect of raising the per centage of traffic receipts on the total outlay, from 7.69 per cent, in 1856, to 8.17 per cent, in 1863, and the aggregate net profit, from 4 per cent in 1856, to 4.26 per cent in 1863, giving to the public a further mileage of 3,143 miles.

The results of the railway operations during the past twenty-one years has been the expenditure of £318,866,200 in the construction and completion of 10,274 miles of railway in the United Kingdom, and by which the yearly traffic receipts have been increased £26,027,960.

## RAILWAYS OF FRANCE.

The Board of Public Works of France has published a detailed statistical account of railways in that country in 1863 compared with 1862. It appears from it that the length of railway worked on the 31st of December, 1863, was 7,516 miles, (12,826 kilometers,) and was 587 more than at the corresponding date of 1862; and that the total receipts of railways in 1863 were \$99,052,877, (495,264,387*f*) which were \$3,819,390 more than in 1862. The following is an account of the length of the different lines on the 31st of December, 1863, 1862, and 1861, and of the receipts in 1863 and 1862; (the term "old network" means original concessions of lines on which no interest is guaranteed; and "new network" signifies the prolongations and embranchments of those lines, for which the government guarantees 4.65 per cent—a kilometre is  $\frac{5}{8}$ ths of a mile:)

## OLD NETWORK.

| Names of Railways.                        | Length worked on<br>Dec. 31,<br>1863.<br>kilos. | Dec. 31,<br>1862. | Dec. 31<br>1861. | Receipts         |                  |
|-------------------------------------------|-------------------------------------------------|-------------------|------------------|------------------|------------------|
|                                           |                                                 |                   |                  | 1863.<br>francs. | 1862.<br>francs. |
| Northern.....                             | 1,053                                           | 1,053             | 967              | 66,827,576       | 65,840,163       |
| Eastern.....                              | 977                                             | 963               | 963              | 46,605,464       | 47,050,998       |
| Western.....                              | 901                                             | 900               | 900              | 49,711,734       | 47,274,347       |
| Orleans.....                              | 1,680                                           | 1,627             | 1,477            | 70,125,762       | 66,776,890       |
| Lyons & Mediterranean.                    | 1,462                                           | 1,462             | 1,412            | } 134,159,082    | 132,533,361      |
| Lyons to Geneva.....                      | 237                                             | 237               | 237              |                  |                  |
| Southern.....                             | 797                                             | 797               | 797              | 30,356,275       | 31,460,103       |
| Victor Emanuel (section<br>du Rhone)..... | 116                                             | 116               | 104              | 1,853,386        | 1,663,371        |

|                                     |       |       |       |             |             |
|-------------------------------------|-------|-------|-------|-------------|-------------|
| Ceinture (round Paris..             | 17    | 17    | 17    | 2,120,346   | 2,185,167   |
| Graissessac to Beziers..            | 51    | 51    | 51    | 798,608     | 693,752     |
| Besseges to Alais.....              | 32    | 32    | 32    | 1,929,700   | 1,595,838   |
| Anzin to Somain.....                | 19    | 19    | 19    | 632,694     | 585,517     |
| Carmaux to Albi.....                | 15    | 15    | 15    | 225,573     | 297,422     |
| Lyons to P'Croix-Rousse.            | 1     | 1     | ..    | .....       | .....       |
| P'Croix-Rousse to Sath-<br>ony..... | 7     | ....  | ..    | 73,638      | .....       |
|                                     | 7,365 | 7,290 | 6,991 | 405,419,788 | 397,904,929 |

## NEW NETWORK.

|                            |       |       |       |            |            |
|----------------------------|-------|-------|-------|------------|------------|
| Northern.....              | 131   | 113   | 142   | 2,788,876  | 2,750,662  |
| Eastern.....               | 1,331 | 773   | 744   | 28,495,608 | 26,272,460 |
| Ardenness.....             |       | 355   | 187   |            |            |
| Western.....               | 644   | 407   | 312   | 6,684,128  | 4,947,293  |
| Orleans.....               | 895   | 755   | 658   | 12,037,374 | 9,203,802  |
| Lyons & Mediterranean..... | 1,228 | 910   | 737   | 36,396,813 | 32,930,717 |
| Douphine.....              |       | 179   | 158   |            |            |
| Southern.....              | 432   | 292   | 160   | 3,441,740  | 2,077,564  |
|                            | 4,661 | 3,784 | 3,099 | 89,844,599 | 78,262,498 |

## REGABITULATION.

|                  |        |        |        |             |             |
|------------------|--------|--------|--------|-------------|-------------|
| Old Network..... | 7,365  | 7,290  | 6,991  | 405,419,788 | 397,904,929 |
| New Network..... | 4,661  | 3,784  | 3,099  | 89,844,599  | 78,262,498  |
| Total.....       | 12,026 | 11,074 | 10,090 | 495,264,387 | 476,167,422 |

Notwithstanding the increase in the gross receipts, the lines were not so productive in 1863 as in 1862, owing to the total of the former year having to be divided among a greater number of kilometres worked than that of the latter year. If the average length worked in the year be taken, it will appear that, whereas, in 1863, the total receipts per kilometre were 55,476 from the old network, and 21,341 from the new; they were, in 1862, respectively, 56,106f and 22,917f. If the rate per cent per kilometre of the average be taken, it will appear that in 1863, compared with 1862, there was, in the old network, a decrease in these lines:—Northern of 2.74, Eastern 1.5, Orleans 2.75, Lyons and Mediterranean 1.40, Southern 3.51, Ceinture 0.74, Carmaux to Albi 24.16; and an increase in the Western 5.4, Victor Emanuel 9.69, Graissessac to Beziers 15.11, Besseges to Alais 20.92, Anzin to Somain 8.6. In the new network there was a decrease in the Eastern Railway of 6.17, Western 5.84, Lyons and Mediterranean 8.15, Southern 2.35; and an increase in the Northern of 19.59, and in the Orleans of 7.17.

## RAILROADS OF THE UNITED STATES.

The following is a summary of the Railroads in the United States, January 1, 1864:

## RAILROADS IN THE LOYAL STATES.

| States.            | Mileage  |            | Cost of<br>Road and<br>Equipment. |
|--------------------|----------|------------|-----------------------------------|
|                    | Total.   | Completed. |                                   |
| Maine.....         | 640 59   | 509 37     | \$17,788,316                      |
| New Hampshire..... | 687 73   | 661 32     | 21,130,271                        |
| Vermont.....       | 586 17   | 586 17     | 25,076,034                        |
| Massachusetts..... | 1,339 42 | 1,277 54   | 59,985,187                        |
| Rhode Island.....  | 156 44   | 123 94     | 5,368,974                         |
| Connecticut.....   | 770 75   | 616 61     | 22,158,622                        |
| New York.....      | 3,505 76 | 2,892 46   | 134,410,508                       |

| States.            | Mileage   |            | Cost of<br>Road and<br>Equipment. |
|--------------------|-----------|------------|-----------------------------------|
|                    | Total.    | Completed. |                                   |
| New Jersey.....    | 951 25    | 761 77     | 36,363,438                        |
| Pennsylvania.....  | 4,070 77  | 3,545 36   | 165,817,836                       |
| Delaware.....      | 182 59    | 126 60     | 3,345,761                         |
| Maryland.....      | 709 90    | 467 80     | 25,580,373                        |
| West Virginia..... | 361 50    | 361 50     | 16,342,979                        |
| Kentucky.....      | 888 40    | 550 20     | 22,209,900                        |
| Ohio.....          | 4,550 10  | 3,356 74   | 180,454,283                       |
| Michigan.....      | 1,425 50  | 809 20     | 31,318,856                        |
| Indiana.....       | 2,173 57  | 3,356 74   | 71,713,528                        |
| Illinois.....      | 3,698 90  | 3,080 10   | 118,808,572                       |
| Wisconsin.....     | 1,680 28  | 986 38     | 34,442,233                        |
| Minnesota.....     | 1,400 60  | 70 00      | 5,200,000                         |
| Iowa.....          | 2,256 80  | 873 30     | 25,704,052                        |
| Missouri.....      | 1,412 39  | 914 75     | 45,912,879                        |
| Kansas.....        | 360 00    | 40 00      | 1,000,000                         |
| California.....    | 512 73    | 120 05     | 5,780,000                         |
| Oregon.....        | 19 50     | 19 50      | 700,000                           |
| Loyal States.....  | 34,807 04 | 24,926 93  | \$1,025,115,742                   |

## RAILROADS IN THE REBEL STATES.

|                               |           |           |               |
|-------------------------------|-----------|-----------|---------------|
| Virginia.....                 | 2,016 48  | 1,378 70  | \$45,101,849  |
| North Carolina.....           | 1,320 42  | 945 30    | 18,241,295    |
| South Carolina.....           | 1,039 93  | 988 93    | 21,990,690    |
| Georgia.....                  | 1,635 23  | 1,421 22  | 29,036,292    |
| Florida.....                  | 586 50    | 401 50    | 8,628,000     |
| Alabama.....                  | 1,434 70  | 891 16    | 21,351,102    |
| Mississippi.....              | 1,072 12  | 869 12    | 34,234,138    |
| Louisiana.....                | 833 00    | 334 75    | 13,639,219    |
| Texas.....                    | 2,787 00  | 451 50    | 16,509,772    |
| Arkansas.....                 | 701 33    | 38 50     | 2,800,000     |
| Tennessee.....                | 1,393 48  | 1,304 77  | 33,545,511    |
| Rebel States.....             | 14,825 19 | 8,933 45  | \$240,836,473 |
| Grand Total Jan. 1, 1864..... | 49,632 23 | 33,830 38 | 1,265,952,215 |
| "    "    1, 1863.....        | 49,139 48 | 22,470 95 | 1,224,221,671 |
| Increase during year.....     | 495 75    | 1,359 43  | \$41,730,544  |

THE  
**MERCHANTS' MAGAZINE**  
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