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POLITICAL ECONOMY—CAPITAL AND VALUE.

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Political economy seems hitherto to have been treated rather as an abstract science, than one that ought to be considered and studied, as the basis and guide of the statesman, in his most important function of securing the prosperity and happiness of the people. This negligence may be attributed no doubt, to a variety of causes. The science itself has been greatly incumbered by unnecessary details, which, in some instances, has led the author into serious contradictions, with respect to the principles which govern the science; while, in other cases, these principles have neither been sufficiently comprehended, nor defined with sufficient accuracy. The term *capital*, though designating so important an element of political economy, lacks a proper and correct definition.

It does not appear to require a very extraordinary amount of wisdom or discernment, after a man has attained to sufficient gravity of mind to think for himself, that the first requisite for his commencement in business of any kind is capital; because, without it, he cannot proceed a single step. And yet the nature of capital, and its importance seems neither to have been clearly apprehended, nor pointed out, by any of the standard writers upon the subject in question.

Dr. Adam Smith seems to have taken exactly opposite grounds to the French economists, though they were much nearer the truth than he sup-

posed. He excluded land *entirely* from his category of capital, and gave to labor the greatest importance in the production of wealth or value. If the economists had assumed that the land and its products necessarily limited the supply of capital, instead of comprehending its amount, they would have been correct.

M. Say admits the concurrence of natural agents in the production of value, but does not perceive that the available quantity of these natural agents must necessarily limit the supply of capital as well as, finally, the creation of value. In fact that the whole fabric of wealth, must be upheld and kept in existence by the products of these natural agents; and if the supply be cut off or limited at any given point, either by the exhaustion of the soil, or the successful competition of other consumers, a further increase of capital at that particular point, or even of value, becomes impossible.

The error of the economists consisted in the assumption that the landowner still retained a monopoly of capital after the division of labor had commenced; the error of Adam Smith and the more modern political economists lies in the assumption that land is not capital.

Previous to its appropriation, land would, of course, have no value, and might, under those circumstances, be considered like air or water, as practically unlimited. But after it had become the property of individuals, it would necessarily, by the division of labor and the increase of population, become valuable, and therefore ought to be considered capital. To say that land varies in productiveness with a given amount of labor, from the force of unequal fertility, is only to say that some land is more valuable than other land, and admits of the payment of what political economists call rent; but this can be no valid objection to its being ranked as capital, as it also varies in the amount of rent (net product) according to its proximity or distance from market. It also constantly increases in exchangeable value, by the accumulation of other capital, and the increasing necessity for its products, without a corresponding increase in its utility. It appears, therefore, to be a mere groundless assumption that the poorest soil in cultivation pays no rent beyond the interest of the capital invested in the fences and buildings necessary to its occupation. If there is ever so small an advantage in its cultivation, the powers of the soil will surely be remunerated to the owner. Land is, therefore, not only capital, but it has superior advantageous to any other kind of capital, and consequently ought to bear its fair share of taxation according to its value for the support of the government, but not to the extent of preventing cultivation. We should define capital, therefore, not exactly in the words of McCulloch. "as those portions of the produce of industry existing," etc., but as those portions of wealth "which may be directly employed, either to support human beings or to facilitate production." In the word wealth, therefore, we must include the fertility of the soil, as no amount of the accumulated products of labor could possibly produce a single grain of corn or other vegetable production without it.

Having decided what we consider to be capital, we will, for a moment, return to the economists, merely to point out the rock upon which they split. If they (the economists) had closely observed the operations of society, they must have detected the fact that the division of labor had originated a new kind of capital, which we designate skill, and which

would enable its possessor to accumulate the products of industry, which, in their turn, would become capital, and therefore yield a revenue. Laying the whole burden of taxation upon the land would not have prevented this aggregation of circulating capital, though it might have prevented the increase of agricultural capital as well as population, unless a free importation of agricultural products had at the same time been allowed, which would speedily have ruined the home producer. There is no doubt, however, that taxes ought to be as few and simple as possible.

To prove the assumption that land is neither wealth nor capital, political economists generally have denied that it has any value, merely because it is one of the elements of nature, and has not been produced by the labor of man. Say considers utility to be the chief element of value. He says—"to create objects which have any kind of utility is to create wealth; for the utility of things is the groundwork of their value, and their value constitutes wealth." Yet, like Smith and others, he excludes land both from wealth and capital, but is forced to acknowledge its agency in production. McCulloch also, notwithstanding he finds fault with Adam Smith for writing the following passage—"that no equal quantity of productive labor or capital employed in manufactures can ever occasion so great a reproduction as if employed in agriculture"—is himself forced to admit "that nature powerfully assists the labor of man in agriculture;" but this he afterwards endeavors to neutralize by assuming that we are not less indebted to nature in every department of industry—referring to the use we make of the wind, the water, the pressure of the atmosphere, steam, etc.—and then asks if they are not all the spontaneous gifts of nature? Just as if these elements, or natural forces, could, like the land, be limited to the use, or become the property of individuals. Though the vegetable and the animal kingdoms, as well as the elements of nature, were gratuitous to man, and were really, while he was in a savage state, previous to the institution of property, his common possession, yet they never lacked utility, one of the elements of value, and only required to be limited in use, by becoming the property of individuals, to give them the other element, which may be appropriately termed, "difficulty of attainment."

Most political economists who have assumed that labor is the measure of all values, have been considerably puzzled to make it fit under all circumstances. For instance, Dr. Smith says: "But though labor be the real measure of the exchangeable value of all commodities, it is not that by which their value is commonly estimated. It is often difficult to ascertain the proportion between two different kinds of labor," etc. This is quite true with respect to the difficulty of measuring the value of different commodities, merely by the amount of labor represented, as this must be in many cases extremely uncertain, and, in some, have little bearing upon the matter. The real difficulty appears to be, that neither the term nor the principle of labor on the one hand, nor the principle of utility on the other, are sufficiently comprehensive to express concisely the compound principle of value. This will be much better done by substituting the terms desirability and difficulty of attainment. These terms seem sufficiently comprehensive to include the whole of the phenomena which tend to make up this difficult problem. They include all the circumstances of supply and demand, the operations of scarcity and gluts, the lucky inci-

dent of finding a precious stone, or a nugget of gold, etc. And though each of these principles must be present to form every item of value, it is not to be expected that they always act uniformly or equal; sometimes the influence of one may predominate, and sometimes that of the other. It should seem that desirability (utility) is the more constant quality, while labor, or difficulty of attainment, is the more variable. We therefore consider the definition of the principle of value by Dr. Smith, as well as all the other political economists we have ever seen, to be defective and incomplete. But we agree with Dr. Smith that agriculture is a more important and productive employment than manufactures, in as much as it is the foundation upon which all manufactures must be built, and sustains all other employments, whether productive or unproductive. The economists were right, therefore, when they assumed that land and its natural productions were capital, but they were wrong when they assumed that it was the only capital of a community. And yet circulating or accumulated capital must always be limited by the extent and power of the soil; that is, assuming that we are enclosed within a given circle, either by a real or artificial wall of non-intercourse. On the other hand, if the freest intercourse with other nations be allowed, it will finally be limited in amount by the agricultural productions, which can be obtained by a direct competition with the manufacturing labor of other countries.

According to this view—if capital be a fixed quantity, it follows that when the ultimate is reached, the maximum of profits and population will also be reached, and if wealth should afterwards accumulate in the hands of the rich, that is, that part of it which consists of articles of luxury and convenience, which cannot be applied to reproduction, it will be at the expense of the further degradation of the people. These conclusions apply more especially to old and populous countries, nevertheless, they are not without significance to every large and populous city. The great difficulty at present between the capitalist and the laborer, is upon the division of profits; or rather, the remuneration of labor. This division may appear arbitrary and unequal, but it is not therefore unjust; because it must be the necessary consequence of the relative economical condition of the working classes in other countries; and therefore cannot be altered without reference to wages elsewhere, except with great danger to the welfare of the community acting in so absurd and arbitrary a manner. If the masses of the people were intelligent and moral, there need be no violent altercation with the capitalist to obtain their fair share of profit But under the present circumstances of intense competition, it is neither for the interest of the laborer nor the capitalist to give too much to consumption; as in case of *very low* profits, whatevery might happen to the community, there might be nothing to fall back upon to relieve a public calamity; and a community so situated would not easily recover its former opulence and prosperity.

If we could be made to understand that the laws which govern the moral are equally immutable, with those that govern the physical, there might be some hope for bettering the condition of the people; but as long as they depend either upon arbitrary regulations, enforced by themselves, or upon protectionist schemes enacted by governments, so long will crime, pauperism and misery abound in all large communities.

To illustrate the truth of these propositions we might refer to many of

the nations of Europe, which have been for centuries subject to what is termed *the protective system*, and whose populations have increased at the slowest possible rate, owing, no doubt, to the constant oscilations in the demand for labor, caused by the inequality of the seasons operating under the influence of such a contracted commercial system, which necessarily confines the community, as nearly as possible, to the products of their own soil.

The statesmen of England appear to have been the first to perceive the great inconvenience of this narrow and uneconomical system, and twenty-five years ago took steps for its gradual abolition. England has since steadily increased both in wealth and population. Her friends philanthropists, however, seem to be doing their utmost to neutralize, or destroy, the effects of these beneficent measures. Great Britain at present, no doubt, stands in a rather dangerous or critical position; importing, as she does, at least one-third of her consumption, and consequently her foreign trade must be an important element in her prosperity. The encouragement given to *trades unions*, co-operative societies and reform agitation, must therefore be injurious to that open, healthy competition which it must be her interest to continue to wage in self defence. Trades-unions, co-operative societies, &c, can be only lame and temporary expedients for any evils that may affect the working class; and in the end may undermine the power and prosperity of the nation. It is idle to suppose that the operative classes of England have any very superior advantages, except, perhaps, in one or two instances over those of the Continent of Europe. And should England exhaust her supplies of coal or iron, or should the expense of obtaining them become much enhanced; or should she by any means lose her present comparatively cheap labor, her power and population would certainly decline.

If the protective system be unnatural and injurious, when applied to the trade and commerce of a nation, it will surely be found to be so when applied to enhance the individual interests of the labor.

Trades-unions necessarily tend to equalize the rate of wages of good and bad workmen, and to enforce the employment of all the idle and inferior hands who may happen to belong to the *union;* while they demand wages which the profits of capital cannot legitimately afford. These and other evils will no doubt follow a persistence in such a course of action. But to return to our subject.

Coal and timber notwithstanding they have been excluded from the category of capital by all standard writers, are absolutely necessary, at least, one of them, to the very existence of a nation; and why they should not be considered capital, is hard to understand.

If a nation happens to possess an inexhaustible supply of coal and other minerals, a deficiency of timber, may, perhaps, be supplied without much inconvenience; but if coal be deficient, she will be pretty certain to attain to the maximum of population, when that part of her soil is cultivated which is not reserved in forests, for the necessary supply of timber. Her foreign trade will hardly extend beyond what is necessary to supply the raw material for her manufactures, which she cannot produce at home. A country thus situated, however, when she had once attained to the maximum of her wealth and population, would be much more likely to retain her position among nations, than one otherwise situated.

Thus seeing the importance of these natural products, to the wealth and population of nations, we cannot but decide that they are capital; and to say that they are destitute of *value*, merely because they were not produced by the labor of man, is simply absurd. Both coal and timber are capable of appropriation and we accordingly find them appropriated; and, therefore, practically limited in quantity, which is one of the admitted elements of value.

From these premises it follows as a sequence, that all the products of nature which can be appropriated, are capital; and that the number of population, and all the moveable, or circulating capital, necessary for their maintenance upon any given spot, will depend upon the amount of this natural capital, which can, directly, or indirectly, be laid under contribution for their use and benefit. It is these natural agents which makes labor profitable.

There is no doubt that the division of labor has increased the amount of capital in existence, by rendering it possible for each individual to pursue a single calling. It necessarily produced skill, machinery, and a continued extention of cultivation.

This process would continue just as long as there remained soil to cultivate, sufficiently fertile to repay the expense, including the fee for the landlords rent, and the smallest modicum of profit upon the circulating capital invested. This point once reached, a further increase of capital would become impossible. Certain kinds of wealth and luxuries, might increase, but not capital, plate, carpets, carriages and sumptuous apparel, &c. This might, however, flow from two sources, either from improved methods, or from the degradation of labor. If proof be required of the truth of these doctrines, it may be found in every day experience, in the relative increased price of food, raw materials, fuel, and house rent.

In common parlance gold and silver are designated capital, but this is only a popular error. They are only valuable commodities, which are used to represent capital as a *circulating medium*. We might pile them up mountains high, without adding a fraction to the capital of the community; and yet a certain portion is useful, and absolutely necessary. Any given amount, sufficient to move things from hand to hand, and increasing in the same ratio as other commodities, is *all* that may be designated *capital*, any addition beyond *this*, is mere waste and loss. Money by facilitating the exchange of commodities saves labor, and makes the division of labor possible, so far, *it is productive*, and therefore capital; but any increase after that, beyond the amount necessary, to keep prices stationary, makes no addition to value, or even to utility. And yet, we go on, from year to year, increasing our gold production; and taxing the people to the full amount of that production, while many believe, that we receive *value* for all that we export, an assumption without the shaddow of foundation in fact.

THE ERA OF EXTRAVAGANCE.

Time was when Americans could justly boast of the economy of their government. At an annual cost of $77,000,000, or 2½ dollars *per capita*, thirty-two millions of population were governed more beneficently than the people of any other country. The achievement was one at which European publicists wondered; and, as the event has proved, one which we ourselves did not half appreciate. Our people were prosperous and self reliant; their political traditions had taught them to expect little from governments, to look with jealousy upon all central agencies, and to trust rather to individual and local effort than to the national government for the achievement of important enterprises. The same rule applied to the State organizations as to the federal; and thus the province of government being confined within narrow limits, it cost us little to be governed.

It is unnecessary to remark how completely within six or seven years, all this has been changed. The creation of a great military power appears to have produced the singular result of inducing the people to repose in official hands that power which formerly was confided to themselves alone. In the eyes of the public, the government appears to be invested almost with the attributes of a deity, capable not only of protecting them against a public enemy, but possessed of a wisdom far above their own and to be entrusted with the regulation of affairs which, heretofore, had been considered beyond its province.

Of course, opinions will vary as to the wholesomeness of this new tendency in our national politics. Upon the question of its economy there can, however, be no second opinion. In proportion as we increase the functions of the Government we extend its agencies, and extending its agencies we enlarge its expenditures; and when the rule is made to apply to the State Governments, as well as the Federal, it is apparent that this tendency must involve a large increase of taxation. The war has involved us in a Federal debt of $2,600,000,000, which alone requires an additional yearly payment of $130,000,000, This, it might have been supposed, would have supplied a standing argument in favor of the most stringent curtailment of expenditures; but our legislators appear to have concluded otherwise. They are surprised at the facility with which the revenue is raised, and hence conclude that there is no great necessity for economy. It was not to be expected that, immediately on the close of the war, we should witness a return to the ordinary scale of expenditures; yet it is not easily seen how, with a strict regard for public retrenchment, the expenditures, exclusive of payments on account of the public debt, should have been more than six times the amount of those for the year 1860. Such, however, is the fact, as will appear from the following comparison of the actual payments for 1860 and 1866:

	1860.	1866.	Increase.
Civil service	$6,148,655	$12,287,828	$6,139,173
Foreign intercourse	1,163,207	1,338,388	175,181
Miscellaneous	20,658,007	27,430,744	6,772,437
Department of Interior	3,955,686	18,852,416	14,896,730
War Department	16,400,767	284,449,701	268,039,934
Navy Department	11,513,150	43,324,118	31,810,968
Total	$59,848,472	$387,683,195	$327,834,723

It surely cannot be deemed unreasonable to expect that for the current fiscal year, we should have something like an approximation to the scale of expenditures which obtained before the war; excepting in those items of expense which must be regarded as inevitable results of the war. Yet we find the report of the Secretary of the Treasury gives for the six heads of expenditure above enumerated, an aggregate of $216,569,398 as the estimated disbursements for 1867, or $156,710,926 more than in 1860. It is true that of this amount $64,000,000 is apportioned for the payment of bounties; but it is also true that it is through appropriations of this very character, based upon no actual claim on the Government, and really in the nature of a political gratuity, that the public expenditures are being so enormously increased.

Nor is this extravagance in appropriations peculiar alone to Congress. The State legislatures show a like recklessness of expenditures. Here also the immense sums raised in support of the war have demoralized every idea of economy, and large sums of money are voted with spendthrift heedlessness. It may be safely estimated that the States, exclusive of the Southern States, have increased their debts during the war nearly $300,000,000, while the city, town and county debts have been increased to a still larger extent, the consequent local taxation being most injurious to the interests of property holders. Yet, in spite of this immense accumulation of debt, we find our State and city governments proposing undertakings which will still further augment their obligations. In our own Legislature it is gravely proposed to increase the canal debt of the State $10,000,000, and in the Senate a bill has actually been passed to a third reading, and that almost unanimously, granting aid to the extent of $5,000 per mile to any road in the State that shall construct and complete twenty miles of road during the year; the Legislature of Maine has just passed an act which authorizes any town to take stock in any railroad in the State; and these are but chance specimens of the prevailing recklessnessof legislation respecting the increase of corporate obligations.

The last five years have been a period of unequalled extravagance in the management of private associations. In 1864 about five hundred new companies were started in this city alone, and in many instances for objects purely chimerical. Philadelphia, Boston, and other large cities also had their mania for new enterprises. In too many cases the object of the organization of these companies had been gained when the promoters had disposed of a certain amount of stock or had secured pay for a few acres of land at fabulous prices, and now the certificates issued by the million are little better than so much waste paper. Nor have our railroads generally shown a very conservative regard for their debts. Some have undertaken great works of construction in a period of inflation, and have consequently had to issue stocks or bonds to double the amount that would have been required in ordinary times.

We think it is high time that some check were imposed upon this recklessness in accumulating debts? A large portion of our federal, state and local war debts were contracted in a currency worth 50 to 60 cents on the dollar, and most of them will have to be liquidated in gold or its equivalent. So far as respects debts contracted for war purposes

this was an inevitable misfortune. But in the case of enterprises undertaken now, or appropriations made for unnecessary objects no excuse can be given. Unless we are prepared to be stigmatised as a nation of bankrupts we must suspend this accummulation of debts, and by a system of rigid economy in every branch of expenditure prepare for the day of liquidation.

Our public men and the press have, of late years, so dwelt upon the idea of our exhaustless resources, it has really become a popular belief that there is no limit to our paying powers. The apparent ease with which revenue has been raised the last two years has helped to confirm this belief. That we have the ability to meet all our outstanding obligations, and that they will be faithfully met, none can or wish to deny. It is not the possibility of repudiation that we fear; it is rather the knowledge that we shall make full payment, but in doing so shall be compelled to endure a system of taxation which will paralyze our energies and cripple our industries, unless we check this universal spirit of extravagance. Even now the country is laboring under its burdens of taxation; every interest is becoming restive under its portion of the load, and endeavoring to shift it upon other shoulders. Shall this be increased, or will those in power realize our true condition, and cease giving away the public money and lending the public faith for private enterprises?

TRADE OF GREAT BRITAIN AND THE UNITED STATES FOR THE YEAR 1866.

COTTON, BREADSTUFFS, TOBACCO, ETC.

After a period of more than usual delay, we have at length received the trade returns of Great Britain for the past year. In many respects, they are of more than ordinary interest, while they indicate the existence of a larger trade than has heretofore been carried on by any one country since international trade became the active pursuit of men. Much of this increase is due to the fact that previously to the failure of Overend, Gurney & Co., in May last, unusual facilities for obtaining advances were given the British merchants. The late crisis, however, has reduced the number of banking, financial and discount establishments in Great Britain, and many commercial houses find greater difficulty in raising money, hence, this class of traders—one, indeed, which is very numerous—is compelled to act with much more circumspection, and we anticipated, therefore, that the trade of this year will fall somewhat below that of 1866. Still it must be observed that our high tariffs, and constant changes in our tariff regulations, afford British merchants abundant opportunity for competing to great advantage with our own manufacturers, a circumstance, in our age of keen and active competition like the present, likely to be quickly embraced by our rivals in commerce. It would, therefore, not surprise us if, after all, the British Board of Trade returns for the present year, show a result not much below last year, while, as regards the profits attached to it, the comparison would undoubtedly favour 1867.

The declared value of the exports of British and Irish produce and manufactures from Great Britain and Ireland last year amounted to £188,827,785; against £165,835,725 in 1865, and £160,449,053 in 1864. There is, therefore, an increase last year of about £23,000,000 as compared with 1865, and of about £28,400,000 as compared with 1864. In the exports to the United States there is an increase of about £7,200,000; to Egypt. £1,600,000; to China, £1,500,000; to Brazil, £1,500,000; to the Argentine Confederation, £800,000, while to all foreign countries the exports show an increase of £17,000,000. To the East Indies there is an increase of £1,700,000; but as regards Australia, the increase is confined to £350,000. As bearing more particularly on this country, it must be noticed that the exports of the above mentioned articles to Canada in 1866 were valued at £6,830,040, against £4,707,728 in 1865, being an increase of £2,100,000, a circumstance to be ascribed, in a great measure, to the abrogation of the Reciprocity Treaty. The following statement shows the declared value of the exports of British and Irish produce and manufactures to all quarters in each month last year, and in 1865 and 1864:

	1864.	1865.	1866.		1864.	1865.	1866.
	£	£	£		£	£	£
Jan.	10,413,586	10,489,339	14,354,748	Aug.	16,274,269	14,158,648	17,450,156
Feb.	12,698,121	11,376,214	15,116,063	Sept.	14,687,942	17,216,681	16,671,078
Mar.	13,555,674	13,770,154	17,520,354	Oct.	12,871,491	15,547,225	16,895,894
April.	13,225,039	12,071,111	15,366,414	Nov.	12,065,213	15,567,742	15,080,430
May	14,176,640	13,194,758	15,870,131	Dec.	12,095,437	15,030,088	14,914,563
June.	13,978,526	13,227,062	14,630,120				
July	14,394,364	14,113,410	14,957,834	Total	160,449,053	165,835,725	188,827,785

Of these, the shipments to this country for the twelve months were as under:

	1864.	1865.	1866.
To Atlantic ports, Northern	£15,711,127	£20 339,299	£26,261,074
" Southern	87,876	390,214	1,421,420
Pacific ports	909,502	498,443	801,652
Total	£16,708,505	£21,227,956	£28,484,146

—of which the following are the leading particulars:

DECLARED VALUE OF EXPORTS OF BRITISH AND IRISH PRODUCE AND MANUFACTURES TO THE UNITED STATES IN 1864, 1865 AND 1866.

	1864.	1865.	1866.
Alkali	£384,259	£498,997	£994,454
Beer and ale	43,411	55,524	80,045
Coals	129,470	118,430	83,901
COTTON MANUFACTURES—			
Piece goods	1,678,440	3,011,832	3,192,446
Thread	214,050	202,377	356,082
Earthenware and porcelain	398,338	452,452	795,685
Haberdashery and millinery	761,778	937,912	1,120,414
HARDWARES AND CUTLERY—			
Knives, forks, &c.	116,247	179,956	312,563
Anvils, vices, &c.	90,806	96,861	109,531
Manufactures of German silver, &c.	265,879	362,194	731,824
LINEN MANUFACTURES—			
Piece goods	2,481,099	3,635,362	4,172,989
Thread	187,160	149,460	229,220
METALS—			
Iron—Pig, &c.	215,429	231,648	315,415
Bar, &c.	731,805	258,257	571,747
Railroad	831,952	426,799	865,152
Castings	16,544	5,608	19,568
Hoops, sheets and boiler plates	222,175	119,567	342,638
Wrought	258,371	165,473	227,779

	1864.	1865.	1866.
Steel—Unwrought	493,244	366,683	693,013
Copper, wrought	16,426	42,290	43,396
Lead, pig	251.809	167,439	175,164
Tin plates	658,218	975,406	1,434,521
Oilseed	45,439	72,038	367,407
Salt	36,619	70,273	106,613
SILK MANUFACTURES—			
Broad piece goods	74,095	73,597	127,856
Handkerchiefs, scarfs, &c	17,270	3,436	8,409
Ribbons of silk only	28,508	40,915	35,032
Other articles of silk only	75,831	130,311	99,755
Other articles mixed with other materials	39,093	44,478	85,729
Spirits, British	11,329	16,741	18,656
Wool	16,300	31,410	13,700
WOOLEN AND WORSTED MANUFACTURES—			
Cloths of all kinds	709,765	572,092	940,485
Carpets and druggets	270,442	385,841	789,100
Shawls, rugs, &c	61,395	36,265	47,694
Worsted stuffs of wool, and of wool mixed with other material	2,058,103	3,785,223	3,578,219

COTTON.

The return showing the importation of cotton into Great Britain is important, as indicating a very large increase in the extent of the supplies received from United States ports, the total being 4,643,370 cwts., against 1,212,700 cwts. in 1865, and 126,322 cwts. in 1864. Brazil is making steady progress in the production of cotton, and should the present rate of increase continue, an import of about 800,000 cwts. into the United Kingdom may be anticipated during the current year. Egypt, as we had been led to expect, shows a falling off, the natural result of her short crop last season. From the East Indies, last year, Great Britain received a very large supply, viz., nearly 5,500,000 cwts., being the largest importation from that country in any period. The particulars of imports are subjoined :

IMPORTS OF COTTON INTO GREAT BRITAIN IN 1864, 1865 AND 1866.

	1864. cwts.	1865. cwts.	1866. cwts.
From United States	126,322	1,212,790	4,643,370
Bahamas and Bermudas	376.047	158,607	7,515
Mexico	2?8,027	327,365	3,145
Brazil	339,442	494,671	611,808
Turkey	169,234	223,133	92,926
Egypt	1,120,479	1,578,912	1,055,900
British India	4,522,566	3,981,675	5,493,770
China	769,259	320,141	52,120
Other countries	324,559	434,655	335,249
Total	7,975,935	8,731,949	12,295,803

The computed real value of the cotton imported in the eleven months was :—

	1864.	1865.	1866.
From United States	£1,6?0,829	4,128,462	32,126,123
Bahamas and Bermudas	4,304,186	1,379,338	48,923
Mexico	2,576,366	2,771,744	28,591
Brazil	3,748,326	3,319,500	4,471,983
Turkey	1,585,493	982,403	518,021
Egypt	11,676,532	11,243,769	7,288,528
British India	32,357,460	20,743,176	24,000,289
China	5,698,849	1,559,252	196,858
Other countries	3,423,377	3,166,448	1,986,122
Total	66,991,418	49,294,092	70,665,438

Although the export demand for cotton at Liverpool has recently

allen off to a very important extent, while during the closing months fof last year, the business doing for shipment to the Continent was comparatively small, the total export of cotton from Great Britain last year was 700,000 cwts. in excess of 1865, and about 1,280,000 cwts. greater than in 1864. The particulars of exports are as under:

EXPORTS OF COTTON FROM GREAT BRITAIN IN 1864, 1865 AND 1866.

	1864.	1865.	1866.
To Russia.....cwts	222,446	276,238	380,374
Prussia.....	15,310	60,067	81,195
Hanover.....	50,697	15,111	5,618
Hanse Towns.....	512,781	714,600	866,349
Holland.....	471,291	431,172	544,700
Other Countries.....	969,317	1,207,356	1,594,553
Total.....	2,184,842	2,704,544	3,472,789

BREADSTUFFS.

This country makes a very poor figure in the import return of wheat and flour; but, on the other hand, Russia, in the southern portion of which country the crop of wheat is superior in quantity to any other part of the globe, shows an increase of about 800,000 cwts. In the importation from France there is an augmentation of 1,220,000 cwts., a fact to be accounted for by the large importation during the past nine months of the year. France, however, is still an exporter of wheat and flour, notwithstanding the many reports in circulation that her crop was so greatly deficient. In December, for instance, the import of wheat and flour was 378,000 cwts., against 1,271,000 cwts. in 1865, and although the decline is considerable, it is sufficient to show that France has still an available supply for export, and that, after making allowance for the fact that a portion of these importations is Black Sea produce, re-exported from French ports, she is by no means reduced to the necessity of buying largely in foreign markets. The imports of breadstuffs stand thus:

IMPORTS OF BREADSTUFFS INTO GREAT BRITAIN IN 1864, 1865 AND 1866.

WHEAT.

	1864.	1865.	1866.
From Russia.....cwts	5,119,234	8,093,879	8,937 199
Denmark.....	729,238	641,273	506,236
Prussia.....	4,935,328	5,403,914	4,401,409
Schleswig, Holstein, & Lauenburg.....	272,296	254,159	187,938
Mecklenburg.....	669,701	647,685	733,571
Hanse Towns.....	494,407	486,069	878,912
France.....	587,105	2,252,873	3,473,130
Turkey, Wallachia, and Moldavia.....	473,127	574,185	528,433
Egypt.....	366,868	10,063	33,831
United States.....	7,895,015	1,177,618	635,239
British North America.....	1,225,513	306,765	8,789
Other Countries.....	428,881	1,114,480	2,831,642
Total.....	23,196,713	20,962,963	23,156,329
Indian corn.....	6,285,938	7,096,033	14,322,863

FLOUR.

	1864.	1865.	1866.
From Hanse Towns.....cwts	330,770	247,796	347,012
France.....	1,812 354	3,044,823	3,640,320
United States.....	1,747 923	256,769	280,792
British North America.....	485,099	177,353	40,650
Other Countries.....	136,735	177,730	663,506
Total.....	4,512,391	3,904,471	4,972,280

TOBACCO.

The imports, consumption and exports of tobacco in the twelve months were as follows:

IMPORT.

	1864.	1865.	1866.
Stemmed.....lbs.	10,840,822	20,741,403	19,778,423
Unstemmed	50,201,845	45,343,454	34,596,267
Manufactured and snuff	6,578,705	2,660,682	3,171,906

QUANTITIES ENTERED FOR CONSUMPTION.

Stemmed.....lbs.	12,929,668	12,190,679	14,178,618
Unstemmed	24,544,674	26,165,576	25,931,968
Manufactured and snuff	764,346	12,190,629	881,575

EXPORTS.

Stemmed.....lbs.	789,760	324,533	583,214
Unstemmed	13,089,806	16,077,976	17,975,795
Manufactured and snuff	3,448,473	1,547,543	2,065,152

SHIPPING.

The following figures relate to the shipping trade, so far as this country and Great Britain are concerned:

AMERICAN VESSELS ENTERED AND CLEARED AT BRITISH PORTS IN TWELVE MONTHS.

	Entered		Cleared	
	Number.	Tonnage.	Number.	Tonnage.
1864	429	457,273	434	458,990
1865	343	362,760	394	397,017
1866	408	431,103	507	513,614

VESSELS OF ALL NATIONALTIES ENTERED AND CLEARED AT BRITISH PORTS FROM AND TO UNITED STATES PORTS IN 1864, 1865 AND 1866.

	Entered		Cleared	
	Number.	Tonnage.	Number.	Tonnage.
1864	1,098	994,707	1,059	1,124,441
1865	671	728,399	1,048	1,141,061
1866	1,517	1,394,179	1,437	1,512,998

COURSE OF PRICES.

The course of prices during late months has not been what would be very generally supposed, from the dulness of trade and the necessities under which many holders of products have been placed. Throughout the interior there has been a protracted stringency in the money market, and at this port a curtailment of the usual facilities for credit, so that, as a rule, stocks of merchandise and produce have been carried with difficulty. The state of the politics and of the trade of the country has produced a very marked caution among lenders, which, in connection with a chronic expectation of lower prices, has naturally caused merchants to realize upon their goods as early as possible, a course which has produced a settled weakness in the market.

On the other hand, there has been a very general curtailment of consumption, especially of those products least essential to subsistence and comfort. The pressure of taxation, the depression of trade, and the ex-

haustion of means following the extravagant expenditures growing out of the prevailing inflation, have necessitated among all classes a diminution of expenses, which it might be expected would produce a perceptible decline in values. The general result, however, does not wholly correspond with expectations based upon the operation of these causes. The quotations for some articles show a very important fall in prices; but there are notable exceptions to this rule, and especially in the case of food products. For the purpose of indicating the course of prices within the last twelve months, we present the wholesale quotations at New York of certain leading articles of consumption, giving in each case the average price at the dates named.

WHOLESALE PRICES OF LEADING PRODUCTS AT NEW YORK MARCH 1, 1866, SEPT. 1, 1866, AND MARCH 1, 1867.

Food Produc's—	Mar. 1, 1866.	Sept. 1. 1866.	Mar. 1. 1867
Butter, N. Y. fair	$0 42½	$0 35	$0 34
Cheese, fact. dairies	22	18	19½
Flour, R. hoop Ohio	8 60	9 40	11 00
Wheat, Mil. Club	1 65	2 00	2 10
Corn, mixed western	78	80	1 08
Beef, extra mess, new	22 25	22 00	18 50
Pork, mess, new	28 00	32 75	20 75
Lard	18	19½	12½
Rice, Carolina	12 50	13 25	10 37½
Sugar, granulated	17	16½	15½
Salt, Worthington's	3 00	2 85	3 00
Tea, Hyson, med	1 40	1 25	1 25
Coffee, Rio, prime (gold)	21	19½	18½
Fish, dry cod	7 50	7 50	6 00
Clothing Products—			
Cotton, middling uplands	44	32	32
Wool, Saxony fleece	74	63	58
Flax, Jersey	20	21	19½
Silk, Tsatlees, No. 1	11 60	11 00	12 00
Brown sheetings, standards	28	23	22
Print cloths 64x64	14¾	13½	11½
Metals—			
Copper, Portage Lake	36	31	27½
Iron, Scotch pig	48 50	47 50	43 00
" American pig	49 00	49 00	45 50
" Rails, American	85 00	87 50	84 00
Lead, English (gold)	9 00	10 75	6 90
Spelter, plates, domestic	11	11	9½
Steel, American spring	12	11½	13½
Tin, English (gold)	24	21½	22
Zinc, sheet	14½	14¼	12
Woods—			
Eastern spruce	24 00	22 50	19 75
Southern pine	60 00	45 00	42 50
Clear pine	90 00	90 00	90 00
Black walnut	112 50	110 00	110 00
Miscellaneous—			
Ashes, pearl, 1st	11 75	13 75	12 25
Coal, anthracite	10 50	8 50	7 25
Cordage, Manila	23	23	22½
Feathers, P. West	60	82	86
Hair, Rio Grande	29	34	33½
Hay, North River	83	87½	1 40
Turpentine, Spirits	91	69	71
Pitch	4 35	3 25	4 50
Rosin, No. 1	10 50	6 00	6 25
Oil, Olive, in casks	1 70	1 75	1 60
" Whale, refined	1 50	1 52	1 62½
" Lard	1 85	1 92	1 12½
" Kerosene	66	62	52
Petroleum, crude	29	27	17½
Rags, white, city	13	10¾	—
Tallow, American	12	12½	11½

The first class of products comprises the chief expenditures of the household. In breadstuffs the advance since March, 1866, is very important, averaging about 35 per cent., and goes far toward neutralizing the decline upon other articles. In dairy products and beef and pork the reduction averages about 20 per cent., while groceries show a fall of about 10 per cent. Upon the whole, however, the house-wife would appear to be able to supply her table at a lower cost than a year ago, the average decline being probably 5@7½ per cent.

In clothing manufactures and their respective raw materials the decline has been most marked. Cotton has fallen within the year 12 cents per pound, or 30 per cent., and domestic wool, of Saxony fleece grade, 16 cents, or say 22½ per cent., while domestic fabrics have declined in fully an equal proportion. Woolen goods, indeed, have fallen in a ratio beyond that of the raw material, the production having been largely in excess of the wants of the country; and manufacturers have consequently sustained severe losses.

In the metal markets the fluctuations have been less marked than in other products. Pig iron has fallen about $4 per ton, or less than 10 per cent.; railroad iron brings nearly the same price as it did one year ago; steel is even higher, and tin shows but a nominal decline; while copper, lead, spelter and zinc range 15@25 per cent. lower. Although the decline in this class of products is not so general as might be desired, yet it is sufficient to afford important relief to industrial operations by cheapening machinery and some of the materials of building. Similar relief is also offered by the changes in the value of lumber and staple woods generally. From the quotations above given it will be seen that, in spruce and Southern pine there has been a decline warranting an important reduction in the cost of the principal classes of wood work, although fancy woods maintain nearly old prices. In oils, which are by no means unimportant in their relation to manufacturing processes, the table also shows a similar movement towards lower figures. And, still more important, coal, the chief source of motive power, is but little over two-thirds the price at which it sold one year ago.

It will be apparent from this hasty survey that, although the decline in prices has not been universal, and there are some important exceptions to a downward course of values yet, upon the whole, it has been sufficiently broad to afford important relief to consumers at large and to our depressed manufacturing industries. With the almost sole exceptions of bread and rent, the working classes find a material reduction in all their items of expenditure, and are, therefore, the better prepared to meet that fall in wages which the changed condition of production and values renders inevitable. In some cases reduction of wages has actually taken place within late months; but the price of labor has not fallen so generally, nor in such a ratio, as the value of products. The inference is therefore plain that, as capitalists are not making their usual profits upon production, they will be necessitated to enforce lower rates of wages. This is one of the most essential measures toward a further reduction of the scale of values; and the labor market is evidently being prepared for it. The number of unemployed workmen is on the increase, and very many of the factories have recently put their hands on short time; so that the competition for employment must soon produce its natural result.

The future of prices is to a large extent dependent upon causes as yet uncertain as to their ultimate development. If the seasons should prove favorable to abundant crops, one great condition toward a further decline in values will be insured. During last year the failure of the wheat crops of Europe conduced to promote extraordinary high prices for breadstuffs in the United States; and, with high prices for bread, employers have naturally been somewhat reluctant to cut down the pay of their hands. But with a plentiful harvest this year the reduction of wages would be only the more sweeping from the movement having been deferred. The partial abatement of internal taxes upon some leading manufactures is in favor of a limited decline of values, while Congress appears indisposed to favor any course tending to foster the prevailing inflation.

It is not to be supposed that there will be any sudden or extreme fall in values, except in the event of a general panic, a contingency which there is no very obvious reason for expecting, and which, should it occur, would have only a temporary effect upon prices. The causes chiefly regulating values are identified with the natural laws of trade, which are always steady and gradual in their operation; and by the current modifications of these influences, rather than by temporary and extraneous events, that we must be guided in our anticipations as to future changes in prices.

DEBT AND FINANCES OF SOUTH CAROLINA, KENTUCKY AND GEORGIA.

SOUTH CAROLINA.

The public debt of South Carolina, as stated by the Hon. S. L. Leaphart, Comptroller-General of the State, in his report to the Legislature for the year ending Sept. 30, 1866, amounted, exclusive of past-due coupons and interest, to the sum of $4,426,440 46; or, including the military debt contracted during the late war, to $6,668,280 46, and was thus accounted for:

3 per cent.	State Stock, redeemable at pleasure	$38,836 60
6 do	Stock (Fire Loan), Act 1838, redeemable 1860 and 1870	318,159 35
5 do	Bonds (do), Act 1838, sterling, redeemable 1868	484,444 51
6 do	do (Blue Ridge), Act 1854, redeemable 1875-79	1,000,000 00
6 do	do (do), Act 1859 do 1865	310,000 00
6 do	do (New State House), Act 1853, redeemable 1871	250,000 00
6 do	do (do do), Act 1855 do 1881	250,000 00
6 do	Stock (N. S. House), 1st issue, Act 1856, red'able 1877	250,000 00
6 do	do (do do), 2d issue, Act 1857 do 1888	300,000 00
6 do	do (do do), 3d issue, Act 1858 do 1883-85	400,000 00
6 do	do (do do), 4th issue, Act 1859 do 1887-89	400,000 00
6 do	do (do do), 5th issue, Act 1861 do 1882-86	400,000 00
6 do	do (do do), 6th issue, Act 1863 do 1890	25,000 00
	Total Debt Proper	$4,426,440 46
6 per c.	Bonds (Military Defence), Act Dec., 1860, redeemable 1862-5	239,200 00
7 do	do (do), Act Jan., 1861, red'able 1868-72	191,150 00
7 do	Stock (do), Act Dec., 1861 do 1868-72	296,740 00
7 do	do (do), Act Dec., 1861 do 1867-84	1,514,710 00
	Total Military Defence Debt	$2,241,840 00
	Total amount	$6,668,280 46

The following statement gives the details of the several issues:

3	per cent.	State stock, redeemable at pleasure						$38,836 60
6	do	Stock (Fire Loan), 1838, redeemable					1860	3,705 46
6	do	do	do	do	do		1870	314,453 80
5	do	Bonds,	do	Sterling, 1838, redeemable			1868	484,444 51
6	do	Bonds (Blue Ridge RR.),		1854, redeemable			1875	200,000 00
6	do	do	do	do	do	do	1876	200,000 00
6	do	do	do	do	do	do	1877	200,000 00
6	do	do	do	do	do	do	1878	200,000 00
6	do	do	do	do	do	do	1889	200,000 00
6	do	do	do	do	1859,	do	1865	310,000 00
6	do	do	(State House),	1853,	redeemable		1871	250,000 00
6	do	do	do	1855,	do		1881	250,000 00
6	do	Stock,	do	1856,	do		1877	250,000 00
6	do	do	do	1857,	do		1883	300,000 00
6	do	do	do	1858,	do		1883	200,000 00
6	do	do	do	1858,	do		1885	200,000 00
6	do	do	do	1859,	do		1887	200,000 00
6	do	do	do	1859,	do		1889	200,000 00
6	do	do	do	1861,	do		1882	200,000 00
6	do	do	do	1861,	do		1886	200,000 00
6	do	do	do	1863,	do		1890	25,000 00
6	do	Bonds (Military),	1860,	redeemable	Jan.,	1862		
6	do	do	do	do	do	Jan.,	1863	139,200 00
6	do	do	do	do	do	Jan.,	1864	
6	do	do	do	do	do	Oct.,	1864	100,000 00
7	do	do	do	Jan., 1861,	redeem	able	1868	9,650 00
7	do	do	do	do		do	1870	56,500 00
7	do	do	do	do		do	1872	125,000 00
7	do	Stock	do	Dec., 1861,		do	1868	28,286 00
7	do	do	do	do		do	1870	193,500 00
7	do	do	do	do		do	1872	75,000 00
7	do	do	do	do		do	July, 1867, to July, 1883,	
	($84,070) annually							1,429,190 00
7	per cent.	Stock (Military),	Dec,, 1861,	redeemable		July,	1884	85,520 00
	Total							$6,668,280 46

Besides this amount the State is indebted for an issue of bills receivable authorized by act of Dec., 1865, circulating as money and receivable for taxes and all other dues to the amount of $147,000; but of which to the 1st November $99,766 94 had been redeemed, leaving outstanding a balance of $47,233 06.

The interest due on the several classes of bonds to September 30, 1866, was as given in the following statement:

Int. on 3 per ct.	State st'k	$3,638 88	Int. on 6 per ct.	milit'y b'ds	$20,479 00
" on 6 "	F. L. st'k	49,742 89	" on 7 "	Jan. '61	54,431 71
" on 5 "	F. L. b'ds	18,477 66	" on 7 "	Dec. '61	59,386 95
" on 6 "	S. H. b'ds	144,290 00	" on 7 "	Dec. '61	324,004 62
" on 6 "	S. H. st'ck	278,612 85			
" on 6 "	R. R. b'ds	224,025 00	Total on military debt		$458,787 28
Total on debt proper		$778,787 28	Aggregate on both debts		$1,237,089 56

The debt created for military defence, though still kept on the Treasury Ledger, is not recognizable. Excluding this from the calculation the total indebtedness on the 30th September last, with past due interest amounted to $5,205,227 74.

By an act passed by the Legislature and approved by the Governor of the State September 21, 1866, the past due interest and interest to accrue on specified stocks and bonds up to July 1, 1867, and also the principal of the bonds under act of December, 1859, issued in favor of the Blue Ridge Railroad, redeemable January 1, 1865, were ordered to be funded. The following is a statement estimating the indebtedness of the State to July 1, 1867, on the bonds and stocks specified in said act.

Interest on $500,000, 6 per cent. State House bonds	$166,790 00
" on $1,775,000, 6 " " stock	358,487 85
" on $1,000,000, 6 " Blue Ridge R. R. bonds, 1854	290,775 00
" on $310,000, 6 " " " 1859	84,750 00
Total debt for interest on specified bonds and stock	$900,802 85
Principal of 6 per cent. Blue Ridge Railroad bonds, 1859	310,000 00
Total principal and interest to be funded	$1,210,802 85

There was no provision made by the Act for funding the interests due on the stocks and bonds of the Fire Loan, nor for the principal of the former, redeemable in 1870, and of the latter in 1868. The interest due on these securities on the first of October last amounted to $68,220 55. Governor Orr recommends that the Legislature should grant authority to fund the interest now due, and that which will accumulate up to January 1, 1868.

The following abstract from the general ledger of the Treasury exhibits accurately the financial condition of the State as of October 1, 1866.

DEBTORS.		CREDITORS.	
Bank of the State for capital	$1,876,163 92	Bank of the S. for Current Fund	$1,178,973 60
" " for sinking fund	3,387,784 26	Funded debt proper	4,426,440 46
" " for redemption, &c.	39,200 90	War debt	2,241,840 00
Treasury, State of S. Carolina	211,190 83	Interest on debt proper	778,787 28
Shares in R. R. Companies	2,668,800 00	" on war debt	458,787 28
Due by Sheriffs, Collectors, &c	359,329 44	Bills Receivable of the State	147,000 00
Sundries, dues & claims	37,202 44	New State House Columbia	13,916 60
Balance against the State	821,666 21	Balances current accounts	169,993 48
Total	$9,421,337 10	Total	$19,421,337 10

That many items in this account are merely book credits and debits is obvious. From the creditor side must be deducted the military debt and interest, together amounting to $2,700,227 28, leaving the absolute liabilities of the State $6,721,109 82. On the other side there is no certainty as to precise value which the various items represent. The State Bank is insolvent and about to go into liquidation, while the railroad shares are sadly depreciated, and at present have only a nominal value.

The resources of the State for taxation, and the rates and amounts of tax levied for the year commencing Oct. 1, 1865, are shown in the following statement:

	Valuation.	Rates.	Tax levied.
15,516,362 acres of land	$48,087,889	15c ℔ $100	$72,131 82
Lots and buildings in cities, &c	23,987,979	15c ℔ $100	35,981 97
Capitation on 55,045 males bet. 21 & 65 years	100,090	$2 ℔ head	110,090 00
Occupations	394,007	60c ℔ head	2,364 04
Commissions of vendue masters, brokers, &c	75,322	60c ℔ $100	451 93
Tax on 43,045 dogs	43,045	$1 ℔ head	43,045 00
Tax on Express Companies	2,000		2,000 00
Premiums of State Insurance Companies	9,587	$1 ℔ $100	95 87
do Foreign Insurance Companies	163,840	$2 ℔ $100	3,276 80
Capital stock of gas light companies	766,600	40c ℔ $100	3,066 40
Sales of merchandize, &c., by residents	6,210,956	20c ℔ $100	12,421 91
do do by transient persons	1,380	$1 ℔ $100	13 80
Manufactures	211,412	$11 ℔ $100	2,114 12
Spirituous liquors manufactured	9,711	$20 ℔ $100	1,942 20
do brought into State	5,869	$20 ℔ $100	1,173 80
Cotton on hand Oct. 1	9,531,966	$1 ℔ $100	95,319 66
Sales of cotton from May 1 to Oct. 1, 1865	1,165,0 0	$1 ℔ $100	11,650 80
Crude turpentine on hand Oct. 1	83,868	$1 ℔ $100	838 68
Sales of crude turp. from May 1 to Oct. 1	24,302	$1 ℔ $100	243 02
Arrears, double taxes, &c	532		532 96
Grand total, valuation and taxes	$90,885,436		$398,754 78
Amount deposited by tax collectors			20,913 95
Total gross			$419,668 73

The receipts from all sources, and the expenditures on all accounts, for the year ending Sept. 30, 1866, are shown in the following statement:

RECEIPTS.		PAYMENTS.	
Bills Receivable of the State, issued under Act of December, 1865	$147,000 00	Salaries	$76,481 63
General taxes	330,215 27	Free Schools	5,579 49
Claims refunded	39 60	Expenses issuing Bills Receivable	4,436 12
	$477,254 87	Bank of State, for loan of 1865	74,125 00
Balance, included in amount credited to Bank of State, for Current Fund, as per statement of "Debtors and Creditors," 30th Sept. '66	184 00	And interest thereon	3,931 10
		Deaf, Dumb and Blind	5,000 00
		Lunatic Asylum	20,897 00
		Temporary Log House Jails	6,500 00
		General Taxes Refunded	2,478 02
		State Printing	17,446 66
		Miscellaneous	39,373 02
			$266,248 04
		Balance October 1, 1866	*211,190 83
Total	$477,438 87	Total	$477,438 87

The local taxes for the year, not included in the above account were: Poor taxes, $57,387 64; public building taxes, $27,281 94; and road and bridge taxes, $65,046 25—total, $149,715 83.

It will be perceived that the payments for 1865–66 do not include many items of ordinary expenditures (as those of the Legislature), nor yet the annual cost of the debt. These will come into the accounts hereafter, and add largely to the disbursements. The above account therefore cannot be taken as a proper exhibit of the actual resources or of the necessities of the State, even at the present time, much less of the future.

The Governor in his message, and the Comptroller in his report have each of them something to say on the financial condition of the State. Both concur in the necessity for the settlement of all the interest accounts by funding and the resumption of interest payments. They join also in a recommendation to the Legislature, that a sinking fund—say of $100,000 a year—should be founded for the final extinction of the State's indebtedness.

Governor Orr thus presents the subject:

"It is, however, eminently proper that some financial scheme should soon be adopted to prepare the State to meet the principal of the debt as it falls due. If the interest is regularly paid on the debt, $100,000 annually set apart as a sinking fund for twenty years, invested in safe securities yielding 6 per cent. per annum, the principal being further increased by the investment of the interest accruing, will accumulate the sum of $3,899,312, which will be nearly adequate to the payment of the entire debt then due, and I recommend that proper legislation be adopted at the present session to inaugurate this scheme."

The Comptroller General concludes his report with the following pertinent remarks:

"The maintenance and preservation of the faith and credit of the State in her financial relations, will doubtless engage the earnest attention of the Legislature at the present session. The reservation of a portion of her property and assets, or of her annual income, for the liquidation of her debt, will be recognized as the best evidence that the State has both the means and the intention to secure the public creditor. The establishment of a new redeeming fund would, therefore, constitute the best guarantee of her solvency and her good faith, the elements into which public credit must be ultimately resolved. Should a new loan be deemed requisite to meet our most pressing liabilities, the adoption of some measure to insure the punctual payment

* This balance, by November 1, had been reduced to $173,055 03, which was made up as follows: coin $212 75, U. S. currency $73,245 34, and State currency (bills receivable), $99,766 94. The bills receivable are to be cancelled.

of interest and the final redemption of the principal, would seem to be necessarily indicated. That a loan, to the extent that may be actually needed, could be negotiated on advantageous terms, notwithstanding the temporary embarrassment of our finances, there is no reason to doubt."

Thus we find the best feelings of the State authorities enlisted in favor of the public creditors—a sure indication of a like healthy tone pervading the general public.

KENTUCKY.

The funded debt of the Commonwealth of Kentucky, as shown by the Auditor's Report for he fiscal year ending October 10, 1866, amounted at that date to the sum of $5,238,691.79, viz.:

per	cent.	bonds and scrip, due		$402 00
"	"	due		20,000 00
"	"	not due		3,346,000 00
"	"	"		251,000 00
"	"	held by Board of Education		67,500 00
"	"	" " "		1,259,270 01
6 "	"	issued for unexpended county distribution and held by Board of Education		294,519 78
Total public debt Oct. 10, 1866				$5,238,691 79

The following is a detailed description of the several issues comprised in the above aggregate amounts:

Date of Act.	Issued in favor of—	Principal. Issued.	Payab.	Interest. Rate.	Payable.	Amount. Issued.	Outst'g.
.....	Old issues, past due....	....	Now.	6	....	$609,500	$402
Feb. 28, 1835	Bank of Kentucky*....	May 25, 1835	30 years	5	May & Nov.	100,000	7,000
" "	Prime, Ward & King†..	Aug. 1, 1835	"	5	Feb. & Aug.	100,000	4,000
Feb. 29, 1836	Northern Bank of Ky.‡.	Apr. 25, 1836	35 years	5	Apr. & Oct.	100,000	95,000
" "	" " ‡.	June 1, 1836	30 years	5	June & Dec.	50,000	9,000
Feb. 23, 1837	U. S. War Deparment†.	April 1, 1837	"	5	April & Oct.	165,000	77,000
Mar. 8, 1843	John Tilford, agent to sell†	Sept. 2, 1843	"	5	" "	100,000	79,000
Feb. 16, 1838	Amer. Life Insur. and Trust Co.†.....	July 1, 1838	"	6	Jan. & July.	1,250,000	874,000
Feb. 22, 1839	Contractors on public works†	Apl. 22, '40 to Feb. 19, '41	"	6	*various.*	33,000	27,000
Feb. 21, 1840	Northern Bank of Ky†..	Nov. 4, 1840	"	6	May & Nov.	235,000	188,000
" "	Bank of Kentucky.†....	" "	"	6	" "	180,000	151,000
" "	Contractors and in exchange for 6 year bonds of 1840 '44†..	April 3, 1841 to April 1, 1842	"	6	*various.*	1,741,000	1,421,000
.....	Board of Educa.,	No. 1. Aug. 9, 1840	"	6	Feb. & Aug.	24,000	24,000
.....	" "	No. 20. Jan. 6, 1840	"	6	Jan. & July.	21,500	21,500
.....	" "	No. 21. Jan. 1, 1840	"	6	" "	22,000	22,000
.....	" "	No. 22. Jan. 1, 1840	35 years	5	" "	500,000	500,000
.....	" "	No. 23. Jan. 22, 1840	"	5	" "	170,000	170,000
.....	" "	No. 24. " "	"	5	" "	180,000	180,000
.....	" "	No. —. Dec. 28, 1848	*pleasure*	5	" "	308,268	308,268
.....	" "	No. —. July 5. 1850	"	5	" "	101,102	101,102
Jan 20, 1864	" "	July 1, 1866	"	6	" "	294,520	294,520
Feb 18, 1864	Military purposes..	Aug. 2, 1864 to Oct. 10, '65	15 or 20 years.	6	*various.*	733,000	685,000

VALUATION AND TAXATION.

The taxable value of real estate and personal property owned in the Commonwealth in 1860 was $528,212,693, or, excluding the value of slaves ($95,588,479) $432,624,214. The valuation in 1865 excluding value of

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Marked *thus* (*) are payable at the Bank of Kentucky; *thus* (†) at New York; and *thus* (‡) at the Northern Bank of Kentucky. All others are payable at the Treasury.

slaves ($7,224,851) was $352,492,310, and in 1866 $392,355,952, showing an increase in the latter over the previous year of $39,863,642. The figures for the years 1865 and 1866 compare as follows:

	Year 1865		Year 1866	
	Number.	Value.	Number.	Value.
Acres of land	17,778,146	$197,676,721	19,655,443	$210,621,879
Town lots	45,560	61,883,478	50,070	77,760,914
Slaves	153,514	7,224,851	.....	.....
Horses and Mares	299,160	16,641,815	324,623	20,319,404
Mules	58,273	4,176,248	66,876	4,890,762
Jennies	3,933	167,528	3,744	157,685
Cattle	520,798	6,267,247	559,308	6,987,026
Stores	4,280	16,527,915	6,115	20,392,370
Value under equalizat'n law	.....	45,409,895	.....	47,102,390
Carriages and vehicles for passengers	.....	1,509.182	.....	1,659,150
Gold and other watches and clocks	.....	1,023,7 9	.....	1,160,701
Gold and other plate	.....	500,3 3	.....	481,071
Pianos	.....	708,259	.....	822,600
Total Valuation	.....	$359,717,161	.....	$392,355,952

The following statement shows the objects of taxation and the rates and amount of tax levied in the year 1866:

Tax on $392,355,952 valuation	40 cts. per $100	$1,569,423 80
Tax on 3,661 dogs (over two not taxed)	$1 each.	3,661 00
Tax on 145,026 enrolled militia	50 cts. each.	72,513 00
Tax on $981,311, value of property owned by negroes	40 cts. per $100	3,925 27
Tax on 38,167 negroes over 18 years old	$2 per capita.	70,334 00
Tax on Auditor's List		55,169 54
Total taxes for 1866, for service of 1866-67		$1,775,026 58
Total taxes for 1865, for service of 1865-66		1,496,318 95
Increase of revenue for 1866 over 1865		$278,707 63

RECEIPTS AND EXPENDITURES.

The receipts and expenditures of the Commonwealth for the year ending October 10, 1866, are exhibited in the following accounts:

Funds.	Balance Oct. 10, 1865.	Receipts 1865-66.	Total Resources.	Warrants 1865-66.		Balance Oct. 10, 1866.
Revenue	$19,302 41	$917,378 45	$936,680 86	$1,122,512 22	def.	$185,831 36
Sinking	105,030 01	493,817 08	598,847 09	358,699 53	excess	240,147 56
School	37,038 53	169,815 81	206,854 14	159,234 03	"	47,620 11
Other	27,211 74	393,947 97	421,159 71	362,381 81	"	58,777 90
Total	$188,582 49	$1,974,959 31	$2,163,541 80	$2,002,827 59	"	$160,714 21

The tax on valuation for 1866-7, including the Auditor's list ($55,165 54) is estimated at $1,624,593 34

—from which must be deducted the following, viz.:

Amount paid in prior to Oct. 10, 1866	$191,030 34	
Sheriffs' com'sions, delinquencies, exonerations, &c	140,000 00—	331,030 34
Leaving the sum available		$1,293,563 00

The *Revenue Fund* for the support of the Government is entitled to

one-half of the amount of the above tax viz.:	$646,781 50
—and has other resources to the estimated amount of	239,400 00
—making the total estimated receipts for 1866-7	$886,181 50
Estimated expenses for the year 1866-7	990,900 00
Deficit for year ending Oct. 10, 1867	$104,718 50
Add deficit for year ending Oct. 10, 1866	185,831 39
Supposed deficit of Revenue Fund Oct. 10, 1867	$290,549 86

—which amount will have to be supplemented by loan or otherwise, as the Legislature may direct.

The *Sinking Fund*, for the payment of the public debt and interest thereon, receives three-eighths of the valuation tax, and has other resources derived from dividends on stocks owned by the State, taxes on corporations, taxes on billiards and playing cards, interest on deposits, &c. The property and assets owned by the Commonwealth, and constituting the capital of this fund were valued on the 10th October, 1866, at $8,150,072 09, viz.:

Stock in Internal Improvement Companies		$4,830,475 00
" in banks and railroads		1,542,819 50
Loan to Revenue Department	$100,000 00	
Interest on same	15,000 00—	15,000 00
Loan to Military Fund		200,000 00
Deposit to credit in Farmers' Bank of Kentucky, bearing int'st		171,399 27
Amount in Treasury Oct. 10, 1866	$1,054,230 76	
" " " " (not transferred)	240,147 56—	$1,290,378 23

—making the total nominal value, as above stated, $8,150,072 27.

The *School Fund* is entitled to one eighth of the valuation-tax, and also to taxes on the capital stock of certain banks, fines and forfeitures for gambling, the dog tax, &c. The permanent capital of the fund consists of moneys invested in the bonds of the Commonwealth to the amount of $1,326,770 01 (see details in Debt Statement), and 735 shares in the Bank of Kentucky valued at $73,500, making a total of $1,400,270 01. Of the bond investments, $67,500 bear interest at 6 per cent. and the remainder at 5 p. c.

REPORT OF THE COMMITTEE ON SINKING FUND.

The Committee on the Sinking Fund made a report to the Senate on the 2d of February, 1867, from which we extract the following:

The above debt was created for purposes of improvement, for the payment of which certain sources of revenue were set apart, constituting a fund to pay the interest and sink the principal of the debt.

The Constitution forbids the repeal of the laws which constitute the resources of that fund, and provides that they may be increased, but shall not be diminished until the debt is paid.

RESOURCES OF THE SINKING FUND.

Amount in the Treasury on the 10th day of October, 1866	$1,050,230 76
Amount in the Treasury on the 10th of October, 1866, to be transferred to this fund	240,147 56
Amount borrowed from the Sinking Fund by the Treasury Department, with interest up to October, 1867	121,000 00
Amount borrowed by Military Board of Sinking Fund	200,000 00
Estimated amount to be received from 15 cents tax on $100 worth of property for the year 1867	485,086 00
Estimated receipts from other sources than 15 cents tax	324,571 00
Total amount of available resources to 1868	2,592,434 71
From that should be deducted interest for 1867	170,780 00
Total sum which may be paid on debt in the year 1867	$2,421,654 71
The present annual reliable sources of receipts, exclusive of interest on deposits and receipts from forfeited lands	777,351 00
A tax of ten cents remains of the increased resources of the Sinking Fund for war purposes. Five cents was levied before the adoption of the Constitution, and cannot be repealed until the debt is paid; but if the Legislature think proper to repeal the 10 cents tax, the annual resources of the fund would be	487,866 00
The sum reported to be due from the General Government of the United States to the State of Kentucky, as shown by the Governor's message, is	2,438,347 91
That fund owes to the Sinking Fund charges above	200,000 00
	$2,238,347 91

The bonds of the State were issued due in 15 and 20 years, chargeable to that fund, for	685,000 00
If it shall be the policy of the State to defer the payment of those bonds to maturity, there would be of the war fund, if received, placed at the disposal of the Legislature	2,238,347 91
If thought best to pay them, that sum deducted	685,000 00
Leaves	$1,553,347 91

Colonel Pennebaker, the State Agent at Washington to attend to the liquidation of that claim, gives assurances that accounts amounting in the aggregate to between seven and eight hundred thousand dollars have been so far approved by the accounting officer as to give assurances that that sum will soon be placed to the credit of the State.

It will be seen that the sum on hand, at the close of the year, lacks only $470,748 of paying our actual indebtedness. The resources, exclusive of the ten cents tax, amounts annually to $317,086 more than the annual interest, and will increase by the amount of interest on each debt when paid. The above surplus would be applicable next year to the payment of principal. * * * * *

It is suggested for the consideration of the Legislature the passage of a law directing that proclamation be made by the President of the Board of Commissioners of the Sinking Fund that the State of Kentucky is ready to redeem all her bonds, irrespective of their maturity; that after maturity no interest will be paid; and if not presented for payment within one year after maturity, the State will regard them as lost and cancelled; and if presented after that time, will only be paid at the pleasure of the State. If it can be ascertained that an exchange can be effected, the fact should be made known in the proclamation and published in papers in the localities where the bonds are held.

The Sinking Fund was created for the purpose of paying the interest and principal of moneys borrowed for internal improvement. If it shall be deemed to the interest of the State to enter on a general system of improvement, or aid in the construction of leading lines of railroads connecting those now constructed in the State with those in other States, or by diverging from them and striking in the direction of the Ohio, it will be found that the present Sinking Fund, without additional taxation, is sufficient to pay the interest on near or quite eight millions of dollars.

On this same subject we have received the following from Gov. Bramlette:

EXECUTIVE DEPARTMENT,
FRANKFORT, Feb. 15, 1867.

The monthly report of the Auditor, made to this office on the 31st January, 1867 exhibits in the Treasury at that date the sum of $2,026,100 30, being $975,861 54 more than at the close of the fiscal year (10th October, 1866), the date from which the estimate in the foregoing report was made. There is still due from the sheriffs and other revenue officers a large amount of unpaid revenue for 1866. The entire indebtedness of the State is set forth in the foregoing report.

THOS. E. BRAMLETTE.

GEORGIA.

The bonded debt of the State of Georgia, as existing on the 15th day of October, 1866, is made up of the following constituents, viz.:

Bonds issued in favor of Western & Atlantic RR	$1,942,000
" " " " Atlantic & Gulf RR	734,000
Bonds under act of March 12, 1866	3,030,000
Total outstanding October 15, 1866	$5,706,500

The issues under the authority of the act of March 12th, were made (1) for the repairs and equipment of the Western & Atlantic Railroad $1,500,000; (2) for, or in substitution of certain bonds authorized by the

Convention of 1865, $100,000; (3) for the payment of the U. S. Land Tax apportioned to Georgia, $600,000, and for the renewal of bonds past due, and the funding of interest coupons $830,550. These bonds are secured by a mortgage of the Western & Atlantic Railroad, from the earnings of which the interest at seven per cent. and a contribution to a sinking fund of three per cent. are to be paid annually until the bonds are redeemed.

The following is a statement in detail of the bonds outstanding at date, as reported by the Hon. John Jones, State Treasurer:

Issued in favor of—	Date of issue.	Bonds issued— No.	Size.	Am't.	Interest— Rate.	Payable	Principal payable.
Western & Atl'c RR	July, 1848	353	$500	$176,500	6	Jan. & July	July, 1868
" " "	July, 1844	262½	1,000	262,500	6	" "	July, 1869
" " " stg	Mar. 1839	30	£500	72,000	5	Mar. & Sep	Mar. 1869
" " "	Jan. 1840	538	$250	134,500	6	Jan. & July	Jan. 1870
" " "	Jan. 1841	232	250	58,000	6	" "	Jan. 1871
" " "	Jan. 1841	116	500	58,000	6	" "	Jan. 1871
" " "	Jan. 1841	38	1,000	38,000	6	" "	Jan. 1871
" " "	Jan. 1842	386	250	96,500	6	" "	Jan. 1872
" " "	Jan. 1852	200	500	100,000	7	" "	Jan. 1872
" " "	July, 1852	1,050	500	525,000	6	" "	July, 1872
" " "	June 1842 / Jan. 1843	172	250	43,000	6	Jun. & Dc. / Jan. & July	June 1872 / Jan. 1873
" " "	June 1842	16	500	8,000	6	June & Dec	June 1872
" " "	June 1842 / Jan. 1843	35	500	17,500	6	" " / Jan. & July	June 1872 / Jan. 1873
" " "	June 1842 / Jan. 1843	48	1,000	48,000	6	June & Dec / Jan. & July	June 1872 / Jan. 1873
" " "	June 1842	19	1,000	19,000	6	June & Dec	June 1872
" " "	Jan, 1843	34	1,000	34,000	6	Jan. & July	Jan. 1873
" " "	May 1844	48	500	24,000	6	May & Nov	May 1874
" " "	May 1844	51	1,000	51,000	6	" "	May 1874
" " "	May 1848	176½	1,000	176,500	7	" "	May 1874
Atlantic & Gulf RR	Feb. 1858	200	500	100,000	6	Feb. & Aug	Feb. 1878
" " "	Feb. 1859	300	500	150,000	6	" "	Feb. 1879
" " "	Aug. 1859	100	500	50,000	6	" "	Aug. 1879
" " "	Feb. 1860	300	500	150,000	6	" "	Feb. 1880
" " "	Aug. 1860	100	500	50,000	6	" "	Aug. 1880
" " "	Feb. 1861	200	500	100,000	6	" "	Feb. 1881
" " "	Aug. 1866	200	500	100,000	6	" "	Aug. 1886
" " "	Aug. 1866	345	100	34,500	6	" "	Aug. 1886
As per act March 12, 1866	July, 1866	2,230	1,000	2,230,000	7	Jan. & July	July 1886
	" "	1,600	500	800,000	7	" "	July 1886

Included in the above list are the following issues, which are payable, principal and interest, in the city of New York. The Sterling bonds of 1839–69 are payable in the city of London. All other bonds are payable in Savannah and Augusta, or at the State Treasury. The New York list is as follows:

Bonds of July, 1852–72	$525,000	Bonds of Feb., 1861–81	$100,000
" Feb., 1858–78	100,000	" Aug., 1866–86	100,000
" Feb., 1859–79	150,000	" Aug., 1866–86 ($100)	34,500
" Aug., 1859–79	50,000	" July, 1866–86	2,230,000
" Feb., 1860–80	150,000	" July, 1866–86 ($500)	800,000
" Feb., 1860–80	50,000		
Total of all bonds payable, principal and interest, in New York			$4,289,500

All coupons due after August, 1866, are to be paid in currency at the assigned agencies or at the State Treasury.

The available resources of the State consist of the Western and Atlantic Railroad, about 137 miles, owned exclusively by the State, built at a cost of $4,441,532 and valued at about $8,000,000; 8,345 shares in the Atlantic and Gulf Railroad, and 186 shares in the Georgia Railroad. The unavailable assets of the State consist of 1,833 shares of stock in the bank of the State, and 890 shares in the bank of Augusta, and some remain of an interest in the Central Bank. The valuation of property, real and per-

sonal, owned in the State, not including slave property, was, in 1860, $369,627,722. The current valuation is not stated in the report from which the present statement is made up; but whatever it may be, the tax proposed to be levied on it is $450,000 a year, distributed *ad valorem*. Besides this general tax several specific taxes are levied for the support of the Government and other purposes. A capitation tax of $1 on every male inhabitant between 21 and 60 years of age, and taxes varying from $10 to $25 on professions and specified employments. Gift enterprise men are to pay $1,000 down before commencing business. Liquors pay 20 cents a gallon, but are exempt from the ad valorem tax; and any dealer failing or refusing to make true returns is fineable in the penalty of $1,000. The law of March 3, 1866, indeed is remarkably severe, and the oath required on disclosure of property so searching as to preclude escape. The tax on incomes ordered by the convention of 1865, was discontinued by the Revenue Law of 1866.

The receipts into the Treasury for the year ending October 15, 1866, were largely from temporary loans and sales of bonds. The receipts from taxes were light, and chiefly from banks, railroad and express companies and foreign insurance agents, and the specific tax on sales of liquors which is collected quarterly. The account current for the year ending as above, is shown in the following schedule:

RECEIPTS.		PAYMENTS.	
Balance Oct. 15, 1865	$5,201,086 18	Civil establishment, 1864	$2,250 00
Temporary loan	657,424 20	" " 1865	55,226 07
General and income tax	1,456,602 67	" " 1866	53,765 34
Tax on railroads	2,480 58	Contingent fund, 1866	22,325 04
Western & Atlantic R. R.	75,000 00	Printing fund, 1866	21,053 46
Tax on foreign ins. comp.	7,221 27	Special appropriat's, '65	25,775 00
Specific tax on liquors	20,129 22	" 1866	7,446,117 14
Sale of State bonds	1,004,293 08	Temporary loan, 1866	643,438 82
Bonds of Atl. & Gulf RR.	134,500 00	Legislation & convent'n	219,662 85
All other sources	10,205 07	All other payments	8,576 50
Total	$8,568,942 27	Total	$8,497,190 22

-leaving a balance as of October 15, 1866, of $171,752 05.

The probable resources of the State Treasury for the current year (1866-67) are estimated at $882,252 05, and the expenditures at $879,705 06. The income from each source is thus estimated—general tax $450,000; tax on banks and railroads, each $5,000, and on foreign insurance agencies $10,000; tax on liquor sales $60,000; dividends from Atlantic & Gulf RR. $20,000, and net earnings of Western & Atlantic RR. $250,000. The disbursements include $100,000 for the Assembly, $76,000 for the civil establishment, and $307,000 for interest on the public debt. There is also included in the estimate of disbursement $86,000 for repayment of temporary loan and $106,805 06 for undrawn balances of old appropriations—together $192,805 06 not belonging to the current year; leaving the actual necessary expenses of the State at $686,900.

From the exhibits above given it is quite apparent that Georgia is rapidly recovering from the prostration caused by the late hostilities. A State that is able to raise such a revenue as is here estimated for, from a population of less than a million souls, two-fifths the number only just emerged from the condition of slavery, is a sure test of financial vitality. No further loans are wanted; all old accounts are liquidated, and once again the two sides of the public ledger are balanced.

CHICAGO AND ALTON RAILROAD.

The gross earnings from operations for the two years ending December 31, 1865 and 1866, compare as follows:

	1865.	1866.	Increase.	Decrease
Passenger traffic	$1,604,188 01	$1,246,295 88	$.....	$357,892 13
Freight traffic	2,155,151 85	2,309,498 59	154,346 74	.....
U. S. Mail, Expresses, &c	80,751 96	139,358 39	58,606 43	.....
Total gross earnings	$3,840,091 82	$3,695,152 86	$.....	$144,938 96
Total expenses	2,006,574 57	2,210,536 23	203,961 66	.....
Earnings less expenses	$1,833,517 25	$1,484,616 63	$.....	$348,900 62

The earnings, expenses and profits from operations for the last six years have been as follows:

Fisc year.	Miles of r'd.	Result of operations. Earnings.	Expenses.	Profits.	Result per mile. Earni'gs.	Expens's.	Profits.	Profits p. c.
1861	220	$1,098,464	$646,372	$452,092	$4,993	$2,938	$2,055	41.15
1862	220	1,225,001	767,207	457,794	5,567	3,487	2,080	37.36
1863	220	1,673,706	971,840	701,806	7,608	4,418	3,190	41.99
1864	257	2,770,484	1,532,105	1,238,379	10,780	5,961	4,819	45.03
1865	280	3,340,092	2,006,574	1,833,518	13,714	7,166	6,548	47.75
1866	280	3,695,153	2,210,536	1,484,617	13,197	7,895	5,302	40.18

The net earnings have been disposed of in the last three years, as shown in the following statement:

	1864.	1865.	1866.
Net earnings	$1,238,379	$1,833,518	$1,484,617
Joliet & Chic. R.R., lease	$164,725	$140,289	$153,312
Alton & St. Louis R.R. l'e	42,664	58,238	11,760
Improvements	70,000	407,447	221,707
Interest on bonds	281,182	283,185	280,700
Sinking funds and tax	31,575	34,362	57,138
Dividends and tax	286,712	876,858	376,548	1,300,069	553,442	1,278,059
Balance to credit	$361,521	$533,449	$206,558

The surplus Jan. 1, 1866, amounted to $1,291,397, and Jan. 1, 1867, to $1,497,955. This surplus is represented by—

Alton and St. Louis Railroad Company Stock	$675.000
Bonds held by Trustees on renewal account	50,000
Joliet and Chicago Railroad Company bonds	7,000
Chicago and Mississippi " " "	2,500
St. Louis, Jacksonville and Chicago Railroad Company bonds	15,300
Interest in Union Stock Depot, Chicago	50,000
Sums due this Company	165,478
Cash on hand—general fund	439,455
Supplies on hand	436,139
	$1,840,872
Less sums due others $342,917	$1,497,955

The general balance sheets, December 31, 1863-66, exhibits the financial condition of the Company thus:

	1863.	1864.	1865.	1866.
Capital Stock, preferred	$2,422,696	$2,425,576	$2,425,575	$2,425,576
" " common	1,783,343	1,783,343	1,783,343	3,886,643
Bonds—Sinking Fund	585,000	554,000	519,000	483,000
" 1st mortuage	2,400,000	2,400,000	2,400,000	2,400,000
" Income	1,100,000	1,100,000	1,100,000	1,100,000
Sinking Fund, bonds cancelled	15,000	46,000	81,000	117,000
" " cash	.....	575	134	.....
Bonds and Stocks unused	85,000	38,313	37,813	37,813
Renewal Fund, J. & C. R.R. Stock	500,000	351,786	.....	.....
Alton & St. L. R.R. construction fund	.....	77,471	.....	.....
Current accounts	151,735	378,296	369,960	342,917
Income, surplus Dec. 31	349,742	741,236	1,291,398	1,497,955
Total	$9,392,415	$9,896,563	$10,008,224	$12,290,904

Against which the following charges are made:

	1863.	1864.	1865.	1866.
Cost of road & equipm's, (220 m's)	$8,281,639	$8,308,919	$8,308,919	$10,118,522
Bonds and stocks unused	85,000	38,313	37,813	37,813
Alton & St. Louis RR. shares	.....	647,700	637,700	675,000
Railroad bonds (foreign)	.....	.....	.....	24,800
Joliet & Chicago RR. shares	500,000	11,400	.....	.....
U. S. 7-30 notes $135,000	.....	.....	.....	135,614
Renewal account, bonds in trust	120,000	50,000	50,000	50,000
Supplies on hand	166,881	286,993	451,934	436,139
Timber land	.....	57,486	41,268	.... .
Trustees Sinking Fund	.....	575	134	.....
Stock depot and grounds purchased	.....	.....	78,639	50,000
Current accounts	140,551	258,168	208,820	165,478
Cash on hand, general fund	98,344	237,044	193,097	439,455
" " special fund	.....	.....	.....	158,083
Total	$9,392,742	$9,896,568	$10,008,224	$12,290,904

The increased capital, as shown for 1866, was made by a distribution of stock in February last to the amount of one share of common stock to every two shares of stock, preferred and common alike, then outstanding, at the uniform price to holders of $30 per $100 share. This realized to the company of $632,915, which was set apart as a special fund to be expended in new work and equipment, and to complete the purchase of the Alton and St. Louis Railroad; the sum of $135,614 50, the cost of $135,000 U. S. 7-30 notes being retained for the latter purpose. Deducting this amount, and $339,217 82, expended on additional work and rolling stock, there remains the sum of $158,082 68, as shown in the balance sheet for future exigencies. The distribution as above was made to cover capital expenditures from the income account.

Since the re-organization of the company, in October, 1862, the following dividends have been declared and paid:

Date of payment.	Pref.	Com.	Date of payment.	Pref.	Com.
September, 1863	3½	3½	September, 1865	3½	3½
March, 1864	3½	—	March, 1866	5	5
September, 1864	3½	6	September, 1866	5	5
March, 1865	5	5	March, 1867	5	5
Total in four years and a half				34	33
Stock (worth more than cash) distributed				35	35

—averaging, together, more than 15 per cent. per annum on the capital invested.

The monthly range of prices for the stocks of this company in the New York market, for the last three years, is shown in the table which follows:

	Common Stock			Preferred Stock		
	1864.	1865.	1866.	1864.	1865.	1866.
January	84¼@ 89¼	89 @ 92	103 @105½	94 @ 96	90 @ 95	105 @107
February	81 @ 90	90 @ 95½	102 @119	92½@ 98	92½@ 98	103 @120
March	87 @ 96½	80 @ 90½	83 @112½	94 @100½	84 @ 92½	94½@118
April	65 @100	80 @ 92	84 @ 90½	95 @100	85 @ 95	93 @ 96
May	88 @ 97½	82½@ 93½	91 @ 99	94 @ 96	91 @107	100 @101
June	90 @ 99	87 @ 97½	95 @ 99	95 @ 97	92½@105	102 @102
July	95 @ 98	90 @103	98½@105½	93 @ 98	101 @102½	104½@106
August	84 @ 97	96 @103	102½@109	92 @ 97½	96 @104	105 @109½
Septemb'r	85 @ 87	96 @101	105 @113¾	90 @ 93	97½@105½	106½@113½
October	80 @ 82	104 @106½	110½@112½	85 @ 90	105 @107½	113 @113½
November	85 @ 90	103 @106	106 @113	90 @ 95	104½@107	109½@113½
December	89 @ 93	104 @106¾	108 @110½	92 @ 95	105 @107½	110½@111
Year	65 @100	80 @106¾	83 @119	90 @100½	84 @107½	93 @120

BOSTON AND NEW YORK BANK DIVIDENDS.

Below we give tables showing the dividends of the New York and Boston Banks for a series of years:

NEW YORK BANK DIVIDENDS.

Companies.	1860.	1861.	1862.	1863.	1864.	1865.	1866.	Latest.
America	7	7	7	8	8	10	10	Jan., '67..5 & 3x.
American	.	..	..	..	..	4	8	Jan., '67..4
American Exchange	7	3½	6	7½	9	10	10	Nov., '66..5
Atlantic	.	..	..	..	..	10	12	Jan., '67..6
Bowery	.	..	..	..	..	..	10	Jan., '67..5
Broadway	10	10	10	11	20	22	24	Jan., '67.12
Bull's Head	8	8	8	11	12	15	18½	Jan., '67..4& 2½x.
Butchers & Drovers	10	10	10	10	10	15	10	Jan., '67 5
Central	.	..	..	..	6	12	12	Nov., '66 .6
Chatham	7	6½	..	9	10	13	16	Jan., '67..8
Chemical	10	24	24	24	24	24	24	Jan., '67..6
Citizens'	8	8	7½	8	8	14	10	Jan., '67..5
City	8	8	8	8	12	12	12	Nov., '66..6
Commerce	7	6	6	7	8	10	10	Jan., '67..5
Commonwealth	7	6½	6	7	10	10	12	Jan., '67. 6
Continental	7	3	6	7	8	8	10	Jan., '67..5
Corn Exchange	7	7	7	7½	9	10	10	Feb., '67..5
Croton	.	..	..	..	..	..	..	.....
Currency	.	..	..	..	..	45	50	Jan., '67.10
Dry Dock	8	7½	7	7	7	7	7	Jan., '67 .3½
East River	7	7	7	7	8	8	10	Jan., '67..5
Eighth National	.	..	..	..	..	10	10	Jan., '67..5
Fifth National	.	..	..	..	..	8	10	Jan., '67..5
First National	.	..	..	..	30	20	20	Nov., '66.10
Fourth National	.	..	..	..	4	9	10	Jan., '67..5
Fulton	10	10	10	10	10	10	10	Nov., '66..5
Gallatin	7	6½	6	8	10	10	10	Oct., '66..5
Greenwich	12	12	12	12	12	12	..	April, '66..6
Grocers'	7	7	7	8	10	10	10	Jan., '67..5
Hanover	7	6½	6	6½	9	11	12	Jan., '67..6
Imp. and Traders	8	7	6½	7½	8	10	9	Jan., '67.4&2 3-10x.
Irving	7	6	..	3½	8	5	..	Jan., '67..5
Leather Manufact'r's	10	10	10	10	10	10	11	Feb.,' 67 .6
Manhattan	10	9	8	10	10	10	10	Feb., '67..5
Manufacturers	5	10	10	7	8	9	10	Oct., '66..5
Manuf. & Merchants	.	..	6	8	10	10	10	Jan., '67..5
Marine	6	3½	7	9	12	16	12	Jan., '67 .6
Market	7	6½	6	7	8	11	10	Jan., '67..5
Mechanics'	8	7½	7	7½	9	15	10	Jan., '67..5
Mechanics' B. Assoc	7	7	7	7½	8	10	10	Jan., '67..5
Mechanics & Traders	8	7	7	10	10	10	10	Jan., '67..5
Mercantile	10	9	8	10	10	10	10	Nov., '66..5
Merchants'	7	6½	6½	7	9	10	10	Dec., '66..5
Mercha's' Exchange	7	6½	6	6½	7½	9	10	Jan., '67..5
Metropolitan	8	7	6	11	9	15	12	Jan., '67..6
Nassau	7	6	6½	7	8	10	10	Jan., '67..5
New York	6	6	6	7½	10	10	10	Jan., '67..5
New York County	7	6½	6	8½	11	16	..	Jan., '67..9
New York Exchange	9	7	7	14	61	9	12	Jan., '67..6
Ninth National	.	..	..	.	..	10	11	Jan., '67..6
North America	7	7	6½	7½	8	15	10	Jan., '67..5
North River	7	6½	3½	7	8½	11	10	Jan., '67..5
Ocean	7	6½	..	6	8	8	10	Jan., '67..5
Oriental	7	6½	6	6½	7½	10	10	Feb., '67..5
Pacific	10	10	10	10	15	20	10	Aug., '66..5
Park	8	8	8	9	20	22	14	Jan., '67..7
People's	7	7	7	7	8	9	10	Jan., '67..5
Phœnix	7	7	6	7	8	10	8	Jan., '67..5
Republic	10	9	..	7½	8	10	15	Feb., '67..5
St. Nicholas	6½	..	3½	7½	8	10	10	Feb., '67..5
Seventh Ward	10	10	10	..	..	..	10	Jan., '67..5
Second National	.	..	..	..	5	10	10	Nov., '66..5
Shoe and L' ather	8	8	8	8	8	8	10	Jan., '67..5
Sixth National	.	..	..	.	5	12	12	Nov., '66..6
State of New York	7	6	6½	7½	10	10	10	Nov., '66..5
Tenth National	.	..	.	..	..	10	10	Jan., '67 .5
Third Nat onal	.	..	..	..	5	9	10	Jan., '67..5
Tradesmen's	8	7	6¼	7½	11	16	15	Jan., '67 .7½
Union	6	6	7	9	10	10	10	Nov., 66..5

BOSTON BANK DIVIDENDS.

Banks.	Capital, January, 1866.	Dividends. 1864. Apr.	1864. Oct.	1865. Apr.	1865. Oct.	1866. Apr.	1866. Oct.	Price. Jan., 1866.	Price. Jan., 1867.
Atlantic National	$750,000	3	4	4	5	5	5	105	119
Atlas National	1,000,000	4	4	10	5	5	5	104	113
Blackstone National	1,000,000	5	5	5	5	5	5	115	126
Boston National	750,000	3	4	4	4	5	5	102	110
(Old) Boston Nat. par 50	900,000	4	4	4	20	5	6	69¾	66
Boylston National	500,000	5	5	5	6	6	6	125	136
Broadway National	200,000	4	4	4	5	5	5	100	105
City (National)	1,000,000	4	4	4	4	4	4	103	110
Columbian National	1,000,000	3½	3½	3*	15	5	5	107	116
Commerce (Nat. Bank of)	2,000,000	4	4	5	5	5	5	110	116¾
Continental National	500,000	4	5	6	5	5	5	102	120
Eagle (National)	1,000,000	4	4	4	9	5	5	110	118
Eliot National	1,000,000	4	4½	5	5	5	5	108	117¼
Everett (National)	200,000		New			3	3	98	101
Exchange (National)	1,000,000	5	5	5	6	6	6	129	140¾
Faneuil Hall National	1,0 0,000	5	5	5	5	5	5	118	125
First National	1,000,000	5	5	6	6	6	6	132	152
Freeman's National	400,000	4	4	4	25	5	5	110	120
Globe National	1,000,000	4	4	20	12	5	5	120	130
Hamilton National	750,000	8	6	0	7	6	6	116	123
Hide and Leather (Nat)	1,000,000	4	5	5	6	7	7	127	141
Howard National	750,000	4	4	4	5	5	5	100	106
Market National	800,000	4	20	4	4	4	4	102	109
Massachusetts National	800,000	4	4	10	5	5	5	107	115
Maverick National	400,000	3½	3½	5	5	4	4	100¼	104
Mechanics' National	250,000	4	4	4	5	5	5	103	110
Merchants' National	3,900,000	3½	4	5	5	5	5	110	117
Mount Vernon National	200,000	4	4½	10	5	5	5	100	117
New England National	1,000,000	4	5	5	5	5	5	115	123⅝
North National	1,000,000	3	4	5	5	5	5	100¾	112
N'th America (Nat.Bk.of)	1,000,000	3½	3½	25†	4½	4½	4½	100	107
Pawners' (d. July & Jan.)	100,000	3	3½	4	4	4	3½	99	98
Redemption National	1,000,000	—	—	4	4	4	4	100	110¼
Republic (Nat. B'k of the)	1,000,000	4½	4	5	5	5	5	112	127
Revere (National)	1,000,000	4	4	10	6	6	6	119¾	131
Second National	1,000,000	4	5	7½	7½	7½	7½	133	150
Shawmut National	750,000	4	4	4	5	5	5	103½	133
Shoe & Leather National	1,000,000	5	6	5	6	6	6	127	132
State National‡	2,000,000	3½	15¾	4	4	4	4	103	110
Suffolk National	1,800,000	5	5	0	5	4	4	116½	116
Third National	300.000	(new)		8§	4	4	4	100	111
Traders' National	600,000	3	3	3½	3½	3½	3½	93	100½
Tremont National	2,000,000	4	4½	4	5	5	5	110¾	119
Union (National)	1,000,000	10	4	4	10	5	5	112	122
Washington National	750,000	4	4	6	6	5	6	112	120½
Webster (National)	1,000,000	4	4	8	5	5	4	103	107

REPORT OF JAMES W. TAYLOR TO SECRETARY McCULLOCH.

(Continued from page 224.)

The gold veins of Virginia extend through Fairfax, Prince William, Fauquier, Culpeper, Orange, Spottsylvania, Louisa, Fluvana, Goochland, Buckingham, and a few adjoining counties.

In 1837 Professor Benjamin Silliman published (Journal of Science, first series, vol. 32, p. 98) the results of a personal examination of mines in the vicinity of Fredericksburg, of which a brief summary will be given. He describes the gold-bearing quartz as embedded in talcose and mica slate, principally the latter. In far the greater number of cases the eye

* Columbia, 3 per cent. in gold, April, 1856. † North America, 25 per cent. in stock, no cash dividend, April, 1868. ‡ State, par 100, since May; previously, 60. § Third National, for first ten months. Pawners' Bank, surplus over 8 per cent given athocrity.

detects nothing but quartz, or sometimes metallic sulphurets of iron, zinc, or lead, and the observer, unless previously instructed, would never suspect the presence of gold, either distinct or in the metallic sulphurets. In the vicinity of the quartz veins rich washings occur. In Spottsylvania county, on a branch near the Whitehall mine, $10,000 was taken in a few days from a space twenty feet square, and $7,000 was found near Tinder's mine, in Louisa county in the course of one week. It often happened that successful alluvial mining preceded the discovery of vein mines. Of the latter several are described.

1. *Busty's Mine*, situated fifty miles from Richmond and fifty-three miles from Fredericksburg, in solid quartz veins, fifteen to eighteen inches thick, at depth of twenty-two feet; structure of vein coarsely granular, like loaf sugar, free from foreign matter except inherent gold, and so white that even when pulverized it showed no tint of color; yield on one trial $80 per ton; on another trial $240 per ton.

2. *Moss mine*, near the above; situated in decomposed slate-rock; surface of vein little else than red clay, but firmer, and stratified below; inclination of rock and included quartz vein about 45°; direction by compass north by east, and south by west; diameter of vein sixteen, eighteen, twenty-four, twenty-seven, and thirty inches, averaging twenty-four inches; quartz laminar, easily broken and separated from slate by blasting, but showing no signs of gold, though examined by a magnifier; three tests returned $100, $140, and $200 per ton, yet in neither case was gold visible in quartz or ore.

3. *Walton Mine*, situated in Louisa county, forty miles southwest of Fredericksburg; quartz vein firm and compact; one foot wide; occasionally porous and interspersed with iron pyrites and a dark iron ore, probably proceeding from their decomposition; penetrated by two shafts of seventy and forty feet; first trial of pour ore, $80; second trial of average ore, $160; third trial of ore taken at random, $400; fourth trial of specimen, showing gold to the naked eye, $2,660 per ton; average of the series of assays, $820 per ton.

4. *Culpepper Mine*, situated eighteen miles west of Fredericksburg, upon the Rapidan; a tract of 524 acres; hydraulic power for a twenty-stamp mill; four adits with connecting shafts; main vein ten feet wide, but prone to divide into strings not larger than a finger, nearly parallel and separated only by portions of the slaty rock; gold more abundant in these strings than in larger veins; much iron accompanying the ore; pulverized quartz always red or brown; iron pyrites in some places fresh and brilliant, elsewhere decomposed; strata nearly perpendicular; specimens from fourteen localities, mixed together, returned $30 per ton; specimen from a vein considered rich, but showing no sign of gold, gave $80 per ton.

In the following paragraph, Professor Silliman only anticipates the experience of miners at this day:

"Gold is often found in pyritical ores in which the gold is embedded in fine particles. This mass when reduced to fine powder gives a residium of oxidized iron about equal in weight to the fine gold, the latter being malleable or flattened, while the former, being brittle, remains rounded or angular. In washing this mixture in the pan the gold generally remains on the upper side of the mass, and is therefore more liable to be washed off by the slightest ripple of the water. On the other hand,

when the gold is embedded in quartz ores, especially those with fine fractures, called in Virginia 'sugar ore,' or more properly granular quartz, the gold being of a similar form, is more quickly disengaged, and appears in larger grains.

"On the contrary, the ferruginous grains, or iron sand, are so fine as to be scarcely visible, and are invariably found at the bottom of the mass or residium, and therefore, as well as on account of their greater weight, are much less liable to be carried off by the ripple of the waters."

Several successful instances of alluvial mining near the Rapidan are also mentioned; on a Hempstead farm, $4,000 in 1831-'32, of which nearly $3,000 in sixty days; another instance two or three miles from Rapidan, $12,000; a third, $40,000; all in the vicinity of the Culpepper mine.

The most remarkable of the foregoing statements relate to the assays of ores from the Walton Mine. Prof. Rogers, of the University of Virginia, inspected this mine in 1836, and ascertained that in the lower adit leading from the main shaft, the auriferous vein was twelve inches in width, and that the talcose rock underlying the vein was also auriferous to a distance of six inches, and sometimes more, from the quartz. He also observed the continued yield from the quartz, and the uniform dissemination of the gold throughout the vein, and the lower enclosing rock. An assay of Professor Rogers returned $280 per ton.

A writer in Harper's Monthly Magazine for December, 1865, describes the gold mines in the vicinity of Richmond; having previously given some general information of the conditions under which gold has been discovered and mined. "Sienite, gneiss, greenstone, and porphyry," he says, "appear to be the primary sources, and the pyrites are evidently the immediate matrix of gold. All iron pyrites contain gold, and often silver, only excepting those of the coal formation; and the extensive gold deposits of Virginia may be said to be literally one continuons belt or accumulation of veins of iron pyrites.

"Most of the gold-bearing rock which has hitherto be enmined in Virginia is principally a kind of talcose slate, somewhat resembling soapstone, but not so greasy to the touch. This slate is red and ferruginous at the surface, but at a greater depth is filled with small crystals of iron pyrites which are decomposed near the surface and appear as peroxyd of iron, giving the slate a brown or yellow tinge. This slate is a metamorphic rock, and runs in a regular belt parallel with the Alleghany mountain chain.

"The gold found in the State of Virginia occurs in exceedingly small grains, often so fine as to be not only invisible to the naked eye, but undiscernible even by the assistance of a strong lens. This is the case even when the ores are worth three or four dollars per bushel. Some veins of the slate region contain coarse gold in grains as large as the head of a pin, and even larger. These are generally found in veins of quartz in which the pyrites are concentrated into larger masses. Where the pyrites are disseminated in fine crystals through the mass of the rock, the gold is found to be very fine. In the first pyrites the gold is often invisible, even if after separation it appears to be coarse. By natural or artificial decomposition the gold becomes visible, the pyrites are converted into oxyd of iron, and, by aid of a lens, the gold can be detected embedded

in the oxyd of iron. Another form in which the native gold is not unfrequently found in Virginia is in quartz, in which it is embedded. Solid white quartz, both in veins and in crystals, is found, in which the gold appears in spangles, plates, grains, and also in perfectly developed crystals. Throughout the gold regions of Virginia copper pyrites are found in all the metallic deposits. It invariably accompanies the gold-bearing iron pyrites, and is always considered a good indication of richness. Cases have often occurred in which the largest amount of treasure has been abandoned, because the miners had not the knowledge of proper appliances for separating the precious yield of gold and copper."

The writer of the article here quoted proceeds to give many interesting details of the gold mines of Goochland, Buckingham, and Fluvana counties. Among these are the Belzoro mine, developing seven veins, which vary in width from two feet six inches to thirty feet; Marks mine, with four gold-bearing quartz veins; Waller mine, vein of brown oxyd of iron, six feet thick; Tellurium mine, sold in 1848 to Commodore Stockton, who is reported to have extracted $250,000 in nine years; Snead gold mine, of three viens, one of them being four feet wide, and composed of white quartz, which contains argentiferous galena, copper sulphates, and gold: Ford mine, revealing copper pyrites largely; and Lightfoot mine, with four well known and very rich veins; all of which have been worked successfully at different periods since 1828.

The mineral wealth of Virginia in other respects is unsurpassed by Pennsylvania or any part of the Union.

NORTH CAROLINA.

The gold district of North Carolina extends from northeast to southwest in the general direction of its leading counties, namely: Guilford, Randolph, Davidson, Rowan Stanly, Cabarrus, Mecklenburg, and Union.

In 1825 Professor Denison Olmstead designated as the district within which alluvial mining was prosecuted, the counties of Montgomery and Anson, and the eastern portions of Mecklenburg and Cabarrus as then organized. Gold was first discovered in a "thin stratum of gravel enclosed in a dense clay, usually of a pale blue, but sometimes of a yellow color." This description is easily recognizable as the detritus of the gold bearing rock afterwards discovered further to the west. Many facts of the early success of placer mining on the tributaries of the Pedee might be adduced, but it must suffice in this connection, to repeat from Wheeler's History of North Carolina an enumeration of the nuggets which have been obtained since the first discovery in 1799:

Years.	Pounds.	Years.	Pounds.
1799	4	1826	16
1803	28	1826	9½
1804	9	1826	8
1804	7	1835	13⅝
1804	3	1835	4½
1804	2	1835	5
1804	1½	1835	8

No more intelligible account of the placers of North Carolina exist than the communication of Professor Olmstead in 1825, from which a few

paragraphs will be given. After describing the gold-bearing alluvium as "gravel enclosed in pale blue or yellow clay," he adds: "On ground that is elevated and exposed to be washed by rains this stratum frequently appears at the surface, and in low grounds, where the alluvial earth has been accumulated by the same agent, it is found at the depth of eight feet; but where no cause operates to alter its original depth it lies about three feet below the surface. A miner sometimes meets a stratum of the ferruginous oxide of manganese in a rotten, friable state. In some instances the clay is deep red."

Very soon, however, these gold deposits were traced to the auriferous lodes traversing a belt of talcose, micaceous, chloritic, and hornblende slates, which passes through several counties on the east side of another belt of granite and west of one of trap. These veins, as early as 1828, were described as follows by Charles E. Rothe, a miner and mineralogist from Saxony: "They occur in greenstone formation often from two to four feet in thickness and a mile or more in length, which give assurance that they sink to a considerable depth. Their general direction is east and west, dipping occasionally 40° to 50° north. The ores and minerals in these veins are rhomboidal iron ore, prismatic Iron ore, pyramidal copper pyrites, and prismaticiron pyrites. In the last two is a mechanical mixture with each other. They show distinct signs of having been changed from their original form. Where the atmosphere could have any influence on the pyrites we find that one part of the sulphur has escaped, the consequence which is, the metallic appearance of the pyrites is changed to that of brown-reddish oxide of iron, and owing to this color we can see the fine particles of gold, and ascertain the richness of the deposit. But where the pyrites have not undergone this change, then the gold cannot be discovered, owing to the color being nearly the same. The greenstone near the vein is most generally decomposed, and mixed with a great number of loose crystals of prismatic iron pyrites. Between the greenstone and the vein, or at the place of junction, the gold is most generally found."

The gold district of North Carolina is the second belt of the table-land, its positions moderately elevated, and it is very seldom that the highest hills of Davidson, Randolph, Rowan, Cabarrus, and Mecklenburg counties are traversed by vein fissures.

In 1856 a report by Ebenezer Emmons, upon the geology of the midland counties of North Carolina, was published, which gives a detailed description of thirty mining localities. Abstracts of his observations upon the leading mines of Guilford, Randolph, Davidson, Rowan, Stanly, Cabarrus, Mecklenburg, and Union counties will best illustrate the characteristics of the auriferous belt through the State. The order in which these counties are named coincides with their geographical position, commencing on the north:

1. *McCulloch Mine*, in Guilford County, brown or desulphurized ore, to a depth of one hundred and thirty feet; vein two feet wide at surface, increasing to twenty-four feet, with a dip at angle of forty-five degrees; brown ore, soft and easily crushed, yielding $30 to $40 per ton, and sometimes $100; at level of one hundred and thirty feet, there are six inches brown ore on foot-wall, then copper pyrites, then a belt of brown ore containing nodules or concretions of pyrites more or less changed the middle

of which is rich in gold, and then the principal mass of porous quartz against hanging wall, which, though sometimes showing films of gold, is usually poor; wall rock, sienitic granite.

2. *Fisher Hill*, in Randolph County; veinstone quartz, with white sulphuret of iron mixed irregularly through it; free from copper pyrites; burnt to advantage; two to four feet wide near surface; brittle, and when burnt easily pulverized; average sixty dollars per ton, and gold worth ninety cents to pennyweight.

3. *Conrad Hill*, in Davidson County, six miles east of Lexington Court-House; situated eighty-eight feet above plain to the south; five gold-bearing veins from eighteen inches to two feet at surface; third vein fifteen inches at surface, widening to eighteen feet at depth of one hundred feet, and finally developing sulphurets of iron and copper rich in gold; only four feet rich in gold; wall-rock talcose slate, but adjacent country traversed by trap.

4. *Gold Hill*, on southern border of Rowan County; product to 1856, $2,000,000; three strong and well-defined veins, one mile east of granitic belt; angle of dip 80°; strata undisturbed by eruptive rocks; veins associated with sulphurets of iron and copper; Earhardt vein worked 400 feet, expanding from six inches to seven feet, a succession of lenticular segments overlapping at their edges; chief difficulties, fineness of gold and heavy sulphurets; if sand saved and exposed for a year the sulphurets are decomposed and metal liberated; in 1854 $136,636 76 obtained in thirteen months from Gold Hill, expenses $60,331 06, profit $76,305.

5. *Parker Mine*, in Stanly County; most productive parts of rock are natural joints or quartz seams; pieces in proximity to natural joints sometimes weighing a pound, "not a vein, but a decomposed mass with gold distributed in seams;" has produced $200,000; some masses at rate of eighty to one hundred dollars per ton.

6. *Reed Mine*, in Cabarrus County; productive alluvial mining, as already stated; a vein at depth of ninety feet yields twenty-two dollars per ton. A Phœnix mine, in Cabarrus, was rich to 140 feet, twenty to sixty dollars per ton; but at that level white quartz and sulphate of barytes replaced the brown ore, reducing yield to five dollars per ton. The Pioneer mine, also in Cabarrus, is a fissure in granite sixteen to seventeen feet wide, but true veinstone eight to ten inches; gold in pure quartz mixed with sulphurets; yield sixty-three dollars per ton.

7. *Howie and Lawson Mine*, in Union County, near the line of South Carolina; fine, white, and granular quartz which near contact with slate-wall rock is mottled with brown oxide of iron; on this surface gold visible; width of vein six to thirty inches; average sixty dollars per ton; some specimens two hundred and twenty dollars; traced three-quarters of a mile; sold in 1856 to Commodore Stockton.

8. *Rudisill's Mine*, near Charlotte, Mecklenburg County; three veins, three or four feet wide; gangue slaty, with stripes of quartz and copper pyrites, yielding twenty dollars per ton; quartz brittle and readily crushed; "arrangement of ore in the lode is usually in rich bunches, connected by strings." *Dunn Mine*, seven miles from Charlotte, remarkable for limonite produced from iron pyrites, but unproductive of gold. The gold in the vicinity of Charlotte is worth one dollar the pennyweight.

Copper mining has also received attention in North Carolina—the most

persistent and prosperous enterprise of the kind being in Guilford County. The "Washington silver mine," in Davidson County, produces a great variety of metals in association with silver, which are difficult to treat metallurgically; but the attempt will doubtless be resumed with the aid of improved methods of amalgamation.

The mineral wealth of North Carolina is by no means confined to the eastern slope of the Blue Ridge. West of that range, between the Snowy Mountain and the Blue Ridge, and its transverse from the upper waters of the French Broad River to the Lookout Mountain, containg 5,000 square miles, there is a field presented to the mineralogist not perhaps equalled for extent and interest in the United States. Smoky Mountain constitutes the line between primitive and transition rocks, and its acclivities are steep and broken, developing familiar auriferous combinations. Gold has been taken from all its streams; and where the spurs and belts of this mountain have been cut by denudation, veins and quartz running with talcose slate are very apparent. Gold is often found in quartz rock, out of place, and much decomposed. Coco creek is a very rich deposit. Rumors of silver deposits were current in the army during the late military campaigns. This remote interior district will amply reward exploration.

SOUTH CAROLINA.

The auriferous belt already traced from Fredericksburg to Charlotte extends to the vicinity of Abbeville, in South Carolina—more restricted in width, but with indications of greater richness.

Mines of Mr. William Dorne, in the Abbeville and Edgefield districts, yielded gold of the value of $300,000 in fifteen months preceding July, 1853. The ore was highly ferruginous and silicious, and the gold was found among the layers of the vein in streaks and pockets of extraordinary richness. It was supposed to have been exhausted; but during 1866 work was resumed with satisfactory results.

Professor Lieber, State geologist of South Carolina, has reported that the most auriferous rocks are clay and talcose slates, catawberite, (a compound of talc and magnetic iron,) specular iron, schist and itaberite. None of the later formed rocks contain gold, and the mica slates, and other older formations contain comparatively little. This is in accordance with the views of Murchison, already referred to, who refers the position of gold universally to veins in altered silurian slates, chiefly lower silurian, and most frequently near their junction with eruptive rocks.

The first mint deposits from South Carolina were $3,500 in 1829; the aggregate of such deposits to June 30, 1866, was $1,353,663 98.

GEORGIA.

The width of the gold range through the Southern States is not yet defined. If narrower in South Carolina, it is wider in Georgia than elsewhere. A line crosses the State from Augusta on the Savannah, by Macon on the Ocmulgee, to Columbus on the Chattahoochee, north of which is a platform of granitic and palæozoic rocks, which stretches to the Alleghanies, within which gold occurs in almost every county. Near this southern limit a gold mine has been worked in Columbia County, not far from Augusta, which has been continously productive for eighteen years.

But with this breadth to the general auriferous formation, there is evidence of two belts, which are separated by unproductive metamorphic rocks. Probably the district of Georgia and Alabama, which is most distinctly and remarkably gold-bearing, is from latitude 34° to 35° and between longitude 83° and 86°.

Gold was first discovered in Habersham County about 1831. It was followed by numerous developments along a line of hornblende slate from Alabama, northeast through Cass, Cherokee, Hall, and Hart counties, and extending to the Blue Ridge. Within this limit are the productive counties of Gilmer, Lumpkin, Habersham and Rayburn.

A mint was established at Dahlonega, in Lumpkin County, in 1837, which has received $600,000 in a single year, with an aggregate coinage to February 28, 1861, of $6,121,919. Of this amount, $5,825,747 was received during the period from 1838 to 1857.

Placer mining has been prosecuted in northern Georgia in a manner and with a success not unlike the experience of California. Besides the true veins, which traverse the strata in which they lie in various angles of dip and direction, there are many depositories of gold in all directions around Dahlonega, which are auriferous beds of slates, often decomposed, and sometimes containing pyrites, and the gossan resulting from its decomposition. In Lumpkin and Habersham counties especially, these metalliferous beds have been worked like open quarries, and the gold, in some instances, has been collected with the rocker or the pan, without recourse to crushing; worked, in fact, like deposit mines. They contain rich nests and fine gold, most unequally diffused through the different layers among the slates; some are perfectly barren, in immediate contact with other streaks that may yield many dollars to the hundred-weight of material; but they are so intimately mixed that all must be treated alike when worked on the large scale. The immense quantities in which these materials are obtained, and the ease with which they are quarried, sometimes render it an object to work them, though their yield is, on the whole, very small. These conditions are very favorable to the application of hydraulic mining, as carried to perfection in California.*

Waiving further details, the following general observations may accompany this brief review of the Alleghany gold mines:

1. There is yet much room for the vigorous and intelligent prosecution of alluvial mining. Especially in Georgia, where the country is abrupt and nature has subjected the auriferous rocks to much dislocation and atmospheric exposure, not only the beds of the rivers, but the adjacent detritus of their valleys, will unquestionably give large returns to the new and powerful methods for washing poderous masses of earth. It is understood than companies are now organized, who propose to introduce these

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* See article "Gold," in Appleton's American Cyclopædia. The writer, who refers to his personal experience in Georgia mines, adds that when the ores are not pyritiferous, and there are facilities for stamping such as are used in cement mining by Californians, these materials can be profitably worked, when only producing eighty cents or one dollar per ton. or 1.8 part in $1,000,000; but, of course, where the material is hard quartz, and more especially if it is pyritiferous, the expense of working would be more than quadruple. Prof. W. P. Blake in 1857 published a pamphlet, advising the improved methods of sluice-washing for use in Georgia.

hydraulic appliances upon the Chestatee and other tributaries of the Chattahoochee River.

2. There is abundant evidence also that the upper portions of auriferous lodes have been in a remarkable degree desulphurized, and may be worked to a considerable depth with great advantage before the intrusion of what is called "cap" in Colorado, or before the main body of the vein becomes obstinately pyritiferous. Surface quartz mining, if the phrase is admissible, will warrant considerable investments, whatever subsequent experience shall demonstrate in regard to the refractory sulphurets. It may be admitted that, hitherto, a quartz so modified in chemical constitution as to be "honey-combed," having become cellular and brittle from the decomposition of pyrites, with the gold set free from its matrix, is the only material which it is profitable to reduce; but the testimony is ample that immense quantities of ore in this favorable situation are accessible in the Alleghany gold district.

3. There are no grounds for the opinion that the auriferous lodes, strongly marked as they are by native sulphurets, will not prove true fissure veins, improving in quantity and quality with their depth. Professor Frederick Overman, in a work entitled "Practical Mineralogy," published in 1851, claims that the pyritous veins of Virginia and other south Atlantic States will be more sure and lasting than the gold-bearing localities of California. If the lower beds of Colorado mines can be raised and reduced with profit, deep sinking will be equally successful in the Carolinas.

NEW HAMPSHIRE AND OTHER LOCALITIES.

In the townships of Franconia and Lisbon, lying immediately north of Mount Washington on the lower Ammonoosuc River, gold has recently been discovered in quartz rock, and a shaft sunk by a company of Boston capitalists to the depth of seventy-five feet. A correspondent of the *American Exchange and Review*, a monthly publication of Philadelphia, describes the gold-bearing quartz as traversing talcose slate, and containing sulphurets of iron and copper and seams of magnetic iron. Some extraordinary statements of recent assays from this locality have been published —one by Dr. Hays, State Assayer of Massachusetts, at $867 of gold per ton, and another specimen of mixed quartz talcose slate, gossan, pyrites, &c., at $312 42 per ton. In the adjacent township of Waterford, surface quartz yielded $30 per ton; quartz taken at nineteen feet below the surface $45. Gulch mining has been successfully prosecuted in the vicinity.

If the New Hampshire discovery should warrant investments, there may be a renewal of exploration and experiment in Vermont, where the Appalachian mountain system is likewise largely developed.

During the year 1863 lodes of argentiferous galena were traced in the vicinity of Marquette, on Lake Superior. This district is from ten to twenty feet in breadth and about fifty miles in length, and is situated between the schistose or iron range and Lake Superior. Assays reveal from ten to thirty pounds of silver to the ton of metal. In the same vicinity east of Marquette the Huron mountains were reported in 1864 to be gold-bearing; but the rumors have led to no practical results.

A geological exploration of Arkansas undertaken a few years since indicated the probability of profitable mining for silver, and perhaps gold, in the Ozark Mountains of that State.

A district of Alabama, in the northeastern portion of the State, is a well defined extension of the Appalachian gold field. Its production of gold deposited in the United States mint and branches has amounted to $201,734 83, with an equal amount probably diverted to commercial channels.

METALLURGICAL TREATMENT OF GOLD ORES.

A few general suggestions on the treatment of gold ores, and more particularly the auriferous sulphurets so prevalent in the formations east of the Rocky Mountains, are submitted.

The direct method of attacking these ores is by *fire*, as is always done by the assayor in his laboratory, when he wishes to extract from a sample of ore all the metal which it contains. Undoubtedly, when the cost of fuel, fluxes, and labor is reduced to something near the standard which prevails in the seaboard States, the richer ores of Colorado, Montana, etc., will be reduced by smelting. At present, however, there is reason to believe that the proper economic conditions for smelting do not exist, except possibly in the case of argentiferous galena; although experiments recently made at Swansea, England, upon large quantities of pyritic ores sent from Colorado have proved entirely successful. In conducting these experiments, and estimating their cost, care was taken to make the conditions as to fuel, fluxes, labor, etc., the same as those existing in Colorado. It is stated that smelting works upon a large scale, upon the Swansea plan, are to be started immediately in Colorado. If this should be done, there will ensue a subdivision of labor in the business of mining gold and silver, as is now the case in iron mining. The miner will limit his efforts to the rising of ore from his mine, and the smelting furnace will afford a market where the ore will command its price. This will be better for the parties than the method hitherto pursued of raising and reducing ores under one administration.

But it will be a long time before the great mining regions of the Rocky Mountains will have a sufficient number of smelting works to meet the wants of our enterprising miners, who are constantly prospecting new fields; and there will always be a class of ores too poor to bear the cost of smelting.

The cheaper process of amalgamation, now universally employed in all our mining districts (and, when no sulphurets are present, the very best process), will continue to be very generally resorted to. This process consists in reducing the ore to a fine powder by means of stamps, arastras, Chilian mills, or other mechanical contrivances, and subjecting it to a continuous agitation with mercury, with water enough to give a party consistency to the mass, the object being to expose as fully as possible the fine particles of gold and silver to the attractive power of the mercury, with which they form an *amalgam* easily separable by subsidence in the lighter pulp of earthy matter of which the ore consists. The amalgam thus obtained, on being subjected to moderate heat in an iron retort, gives up its mercury, which passes over in vapor, and is condensed again in another vessel, the metal being left in the retort.

In the case of pyritic ores, however, it is found that the process of amalgamation is seriously retarded by the impurities with which the gold and

silver are associated. Probably the ores of Colorado do not yield, by simple amalgamation, an average of twenty per cent. of their essay value. A previous process of desulphurization is, therefore, indispensible; and how best to accomplish this is the problem which has occupied the attention of metallurgists for many years. Many methods have been advised, the majority of which, being merely empirical, have had but an ephemeral reputation.

As already intimated further details are reserved for a subsequent occasion, when an effort will be made to describe the various processes now in course of experiment.

The treatment of silver ores rests upon a far more satisfactory basis of chemical experience, and the different methods in successful use are clearly and accurately compiled in the last edition of Ure's Dictionary of Arts, Manufactures and Mines.

TREASURE PRODUCT OF THE WORLD.

When America was discovered the gold and silver supply of Europe did not exceed $200,000,000, of which $60,000,000 was gold and $140,000,000 was silver. According to the estimates of Humboldt sixty years elapsed before this aggregate of two hundred millions was doubled by the treasure product of America.

M. Chevalier estimates that the total amount of gold and silver in 1848, the epoch of the California discovery, was $8,500,000,000, of which one-third was gold. It will require thirty-two years, or from 1848 to 1880, to duplicate the supply, even if $250,000,000 is assumed to be the average annual production of gold and silver during that period.

We have the authority of Adam Smith that it was not until after 1570 that the increased supply from the American mines produced any appreciable effect upon prices. In 1550, or twenty years previously, the treasure stock of Europe had been doubled; and in 1570 it reached an aggregate of $600,000,000. To this point the product of the American mines was absorbed by the new demands of commerce. It was only until 1620, or fifty years later, with a further addition of $600,000,000 to the stock of money in circulation, that silver fell to about one-third of its former value, with a corresponding appreciation of prices. In these statements full allowance is made for the consumption of the precious metals by casualties, abrasion, and the arts.

Whatever may be said of the great social and commercial activities of the sixteenth century, the development of human industry and intelligence in the nineteenth century will prove far more effective for the absorption of the vast quantity of gold and silver now or hereafter produced.

The world in the sixteenth century received and assimilated three-fold the treasure supply of 1492 without material change of prices, which was postponed fifty years later, until a six-fold supply, or an aggregate of $1,200,000,000, had been applied to commercial uses. Then was observed a reduction to one-third of the former value value of silver. If we compare the experience of the world since 1848, the stock of specie in that year of $8,500,000,000 will be doubled in 1880, without any other effect than to vititiate commerce; and $400,000,000 per annum can still

be absorbed by the trade and intercourse of all the continents for twenty years thereafter, or until A. D. 1900, before the monetary situation will correspond with that of Europe in 1570, when the first effect upon the exchangeable value of money is recorded.

We are assisted, by the experience of the sixteenth century, to the conclusion that an aggregate of $25,000,000,000 in the year 1900 will hold a similar relation to the trade and intercourse of mankind that the amount of $8,500,000,000 sustained to the population and commerce of the world in 1848. If, as early in the next century as 1920, the stock on hand should be increased six-fold, reaching a total of $50,000,000,000, it might be attended, as in 1620, by a sensible reduction in the exchangeable value of money; but this contingency is too remote and capable of satisfactory compensation to justify much solicitude in behalf of posterity.

There are indications that the large excess in the production of gold over the silver, which, since 1848, has reversed the former relations of these metals, may be less marked in future. The vast quantities of gold produced since 1848 are mostly from placers—from the detritus of auriferous rocks. These surface mines are soon exhausted. In California, notwithstanding the skillful application of hydraulic power, the production of gold by gulch or placer mining has diminished from $60,000,000 in 1853 to $20,000.000 in 1866. Except for new discoveries, and some successful enterprises of quartz mining, the Australian supply of gold would have likewise diminished. Very few diggings hold a mining population longer than a single season. The "dust of gold" is soon gathered. It may be admitted that Australia, Siberia, perhaps the sources of the Zambesi and the Nile in Africa, and northwest British America will, when further explored, reveal a great many districts where the surface deposits are rich and accessible; but each will be in turn a scene of great excitement and of rapid exhaustion, and, perhaps, before the close of the present century alluvial gold mining will be almost a tradition. This tendency is so apparent in every gold-producing community that public attention turns constantly, and with solicitude, to the separation of gold from its native matrix of rock as the only permanent means of production. But at that stage silver mining comes into successful competition w hat ll existing methods for the reduction of auriferous rock. It has always been more profitable to work mines of silver than of gold, of which Mexico, during two centuries of experience, and the Pacific coast, during two decades, are illustrations.

There was very little mention of silver while the discovery and conquest of America were in progress. Among the vast mineral treasures of Montezuma, the quantity of silver was small compared with gold. It was "El Dorado" which was eagerly sought for by European explorers. Each country was ransacked, with the forced labor of Indian slaves, for gold. This was the era of placer-mining in the American dominions of Spain. In consequence of the importation of gold, Isabella of Castile was obliged, as early as 1497, to modify greatly the relations of gold and silver at the mints. The Spanish sovereigns acknowledged the grant by the pontiff, Alexander VI., of their discoveries "in India" by a donation of gold from Hayti. At length, however, after the discovery of the silver mines in Peru and Mexico, and when the experience of miners had elaborated a

systematic industry, gold ceased to be of much practical importance, and silver became the leading metallic product of Spanish America. Of the coinage of Mexico from 1535 to 1845, $2,465,275,954 was of silver, and $126,981,021 of gold. Except for Brazil, the proportion in South America would be fully equal to that recorded in Mexico.

In the case of California, after many unsuccessful experiments, the reduction of auriferous lodes has been established. The veinstones, when pulverized, readily release the gold; there is a remarkable absence of refractory alloys; all the conditions, especially in Grass Valley, are favorable. Yet the yield of gold does not exceed $9,000,000 per annum, while on the eastern slope of the Sierra Nevada the annual production of silver, chiefly from the Comstock lode, amounts to $16,000,000 per annum.

As the mining territories are explored, the discoveries of argentiferous veins are reported in all directions. The interior of the vast mountain mass developes in Sonora, Chihuahua, Arizona, Nevada, Utah, New Mexico, Colorado, Idaho and Montana, the identical formations and conditions which, in a lower latitude, characterize Durango, Zacatecas, Guanajuato and the other well-known silver districts of Mexico. With the exhaustion of the placers (perhaps a remote contingency) it is quite possible that the production of silver, as compared to gold, will be restored to the old ratio of three of silver to one of gold.

But at present, as well as for the last 18 years, the ratio of production is reversed—three of gold to one of silver. The following statement is submitted as an approximation, carefully avoiding exaggeration, of the quantities of the precious metals produced in 1866:

	Gold.	Silver.	Total.
United States	$60,000,000	$20,000,000	$80,000,000
Mexico and South America	5,000,000	35,000,000	40,000,000
Australia	60,000,000	1,000,000	61,000,000
British America	5,000,000	500,000	5,500,000
Siberia	15,000,000	1,500,000	16,500,000
Elsewhere	5,000,000	2,000,000	7,000,000
	$150,000,000	$60,000,000	$210,000,000

The annual production of silver since 1853 has not exceeded $50,000,000, or £10,000.000. Yet, within the period of 14 years—from 1853 to 1866—the sum of £11,250,000 has been annually transported from European ports (including shipments from Egypt) to Asia. The aggregates of bullion exports were as follows:

Gold	£24,773,647
Silver	157,424,757
Total	£182,198,404

France alone, although the richest country of the world in the precious metals, has, since 1848, parted with $165,947,253 of silver, and taken gold in exchange. This has resulted from a fall in the value of gold, as compared with silver, of 2½ per cent., which, by comparison of the course of exchanges between England, using a gold standard, and Hamburg and Amsterdam, using a silver standard, is the only monetary result of the excess of gold supply since 1848. Europe and America will substitute

gold for silver as money, while Asia will probably continue to absorb silver for many years to come, before the ratio of currency to population now existing in Europe shall extend over the eastern world.

A brief statement will illustrate the extent of the oriental demand for the precious metals, which, now mostly confined to silver, will hereafter, or as soon as the world shall desire it, extend to gold. India, in 1857, had a circulating medium of $400,000,000 for the use of a population of 180,000,000, or $2 22 per capita. France has a population of 38,000,000, with a money supply of $910,000,000, or $24 per capita. Suppose China, Japan, and the other industrious populations of Asia to be in the situation of India, and that the current of bullion since 1853 has supplied the Asiatics with $3 per capita, there yet remains a difference of $21 per capita before the monetary level of France is attained, demanding a further supply of $21 per capita over a population of 600,000,000, or not less than $12,600,000,000.

The railway system will soon connect Europe and Asia, and constitutes a most important agency for the transfer of capital and distribution of money among the populations of the Eastern Continent. Since the suppression of the Indian mutiny, an English writer estimates that more than one hundred millions sterling have been added to the currency and reproductive capacity of India, mostly from England, in the construction of railroads and canals. There were 3,186 miles of railway in operation in 1865, having cost $86,000 per mile, and having been constructed with the aid of a guaranty of 5 per cent. to stockholders by the province of India. The system, for which the government indorsement is already given, will be 4,917 miles of railway, at an estimated cost of £77,500,000. These roads will relieve the Government of liability when their earnings reach £25 per mile per week, a point which the leading lines have nearly reached, and which all are destined to attain. Such is the success of the Indian railways that their connection with Europe by the valley of the Euphrates, and their extension into China will probably be accomplished within the next ten years. By that time Russia will have undertaken a railway from Moscow to Pekin, through southern Siberia—a great trunk line that would soon justify a series of southern lines, penetrating central Asia over those leading caravan routes which have been the avenues of Asiatic commerce for centuries.

If an investment of $430,000,000 in 5,000 miles of railway is financially successful in Hindostan at this time, it may be anticipated that a population of 180,000,000 will warrant the enlargement of the system within the present century fully four-fold, which would be only a fifth of similar communications required and supported by a European or American community. Seppose such a ratio of railway construction extended over China, central and western Asia and Siberia, it would be only one mile for every 9,000 people; while in the United States there are 36,000 miles for 36,000,000 people, or a mile to every thousand; and yet the Asiatic ratio, moderate as it is, presents the startling result of 66,000 miles of railroad constructed by the expenditure of $5,676,000,000. Such a disbursement of European accumulations in Asia would go far to diffuse not only the blessings of civilization, but any excess of production from the gold and silver mines of the world.

In Australia a railway has been constructed from Melbourne to the

Ballarat gold fields, 380 miles, at a cost of $175,000 per mile, which pays a net profit nearly equal to the interest on the immense investment. It is difficult to estimate the amounts destined to be absorbed for railways in all the continents, under the direction of the great powers of the world—projected, constructed, and administered by the wealth and intelligence of America, Russia, England, Germany and France. But the railway system is but an instance, among many other causes, conducing, in the language of an eminent English writer,* "to augment the real wealth and resources of the world; to stimulate and foster trade, enterprise and production, and, therefore, conducing, with greater and greater force, to neutralize by extension of the surface to be covered, and by multiplying indefinitely the number and magnitude of the dealings to be carried on, the *a priori* tendency of an increase of metallic money to raise prices by mere force of enlarged volume. Already the boundaries within which capital and enterprise can be applied, with the assurance and knowledge alone compatible with durable success, have been extended over limits which ten or even five years ago would have been regarded as unattainable. There have come into play influences by which it seems to be the special purpose to contribute by the aid of the concurrent advance in knowledge, to the removal or mitigation of many chronic evils against which past generations have striven almost in vain."

TRANSPORTATION FROM THE MISSOURI RIVER TO THE ROCKY MOUNTAINS.

While postponing a detailed consideration of the character and extent of trade and transportation from the Missouri River to the mining territories of the interior since 1848, some idea of the westward movement of merchandise and the cost of its transportation, may be obtained from the Quartermaster General's report to the Secretary of War for the year ending June 30, 1866, which exhibits the transportation on account of government, and the rates paid per hundred pounds per hundred miles. The rates from the Missouri river to northern Colorado, Nebraska, Dakota, Idaho, and Utah were $1 45; to southern Colorado, Kansas, and New Mexico, $1 38, with an addition from Fort Union in New Mexico to posts in that territory, in Arizona and western Texas of $1 79 per hundred pounds per hundred miles. The total number of pounds transported was 81,489,321 or 40,774 6-10 tons, at a cost of $3,314,495. Parties familiar with the course of this inland trade, estimate that the transportation on account of government is one-ninth the total amount of transportation. At this rate the whole amount paid in 1866 for freights from the Missouri River westward was $30,830,055. According to a statement recently made by the officers of the California division of the Union Pacific railroad $13,000,000 in gold was paid in 1863 for transportation eastward from San Francisco to the State of Nevada and Territories east of the Sierra Nevada. The details of return freights and the amount paid for the movement of passengers are, as yet, too incomplete for publication. Not less than $50,000,000 per annum is expended on or near the line of the Union Pacific railroad for the transportation of travellers and merchandise.

* Tooke's History of Prices, vol. vi, p. 235, published in 1857.

GENERAL OBSERVATIONS.

I beg leave to close this communication with a few observations of a general nature:

1. There are two indispensable requisites to the development of the western mines—security from Indian hostilities, and the establishment of railway communication to the Pacific coast on the parallels of 35°, 40° and 45°. Of these, the completion of the "Union Central" on the average latitude of the fortieth parallel may be anticipated in 1870, and will unquestionably give a great impulse to the communities which it will traverse, probably to such a degree as to warrant the immediate construction of a northern line central to Minnesota, Dakota, Montana, Idaho, Washington and Oregon, and a southern line equally indispensable to the Indian Territory, Texas, New Mexico, Arizona, and southern California.

2. Great results of a social, no less than a material character, may be anticipated from the act of July 26, 1866, extending facilities for acquiring title to mineral lands. By that act, freedom of explanation, free occupation of Government lands for placer mining, a right to pre-empt quartz lodes greviously held and improved according to local customs or codes of mining, the right of way for aqueducts or canals, not less essential to agriculture than to mining, and the extension of the homestead and other beneficient provisions of the public land system in favor of settlers upon agricultural lands in mineral districts, have been established as most important elements for the attraction of population, and the encouragement of mining enterprises. The Commissioner of the Land Office has carefully analyzed this enactment, and greatly facilitated its execution by a circular recently issued. The spirit of the legislation under consideration is in the interest of actual settlement and occupation, and adverse to absentee ownership for merely speculative purposes, of mining properties. It will probably be necessary to supplement that act in question by some general revision of the local mining customs, which, although generally founded on the Spanish code so long in use in Mexico, are often incongruous and obscure.

3. Great loss and disappointment have resulted from the unique geological and mineralogical development of auriferous and argentiferous lodes of the Rocky Mountains and the Alleghanies. Metallurgical machinery and methods which had been successful in Europe, and even in California, have proved inapplicable or met with unexpected obstacles in the reduction of ores. There is no subject of greater importance than a scientific analysis of the situation and combinations of the precious metals and the best methods for their treatment. How far Congress or any Executive department can judiciously co-operate in the solution of the mechanical and chemical problem which now confronts the skill and experience of all interested in the economical reduction of the ores of gold and silver, it is not within the province of this report to determine; but the great utility of the geological survey of Lake Superior and the Upper Mississippi, in 1847, under the direction of Professor D. D. Owen, may properly be referred to as suggesting the expediency of a similar exploration under National auspices of the mineral districts of the Western States and Territories, and which might be appropriately extended to include the metalliferous localities of the Alleghanies.

JAMES W. TAYLOR.

Hon. Hugh McCulloch, Secretary of the Treasury.

BALTIMORE—ITS MANUFACTURES, COMMERCE, ETC.

Baltimore, the most southern of the four great commercial cities of the Atlantic seaboard, is located upon an estuary or small bay, which makes up for about two and a half miles on the north side of the Patapsco River, ten miles from the entrance of this river into the Chesapeake Bay, of which it is for this distance an arm. The city, by ship-channel, is about 200 miles from the ocean, and by railroad, 38 miles north-east from Washington, and 98 mile south-east from Philadelphia, lat. 39° 17′ north, and long. 76° 37′ west.

The situation of Baltimore, whether for foreign or internal trade, is admirable. It has a spacious and secure harbor, far inland, and is approached through a narrow and easily defended arm of the sea. Its connections with the interior are ample, railroads diverging from the city in every direction. The Baltimore and Ohio Railroad extends west to Wheeling and Parkersburg on the Ohio River, forming connections at these points with the great lines of the north middle section of the Union, and through these with the railroads now being constructed to the Pacific Ocean. Pittsburgh will also be reached by this road, the branch from Cumberland being now in course of construction. The Northern Central Railroad and its connections give access to the coal fields of Pennsylvania and to the ports of Lakes Ontario and Erie. The great shore line of railroads connects the city on the one hand with Philadelphia, New York and the Eastern cities, and on the other with Washington, Alexandria, and the whole south and south-west. The Western Maryland Railroad, as its title implies, is intended to develope that portion of the State. On these great avenues of interior travel and transportation the commerce of Baltimore is entirely dependent, since by nature the site occupied by the city is hemmed around by physical difficulties which would otherwise be fatal to commercial prosperity.

Baltimore has no long record. Its admirable location was for a long period unappreciated, nor was it before 1729 that the town was laid out. The part then first laid off (60 acres in extent) was the central southern portion, about the head of what is now familiarly called "the basin." Three years subsequently, in 1732, ten acres east of Jones' Falls, a part of the present, "old town," were laid out under the name of Jonestown, and in 1735 the two became united as the town of Baltimore. Up to 1752 it contained only twenty-five houses. Sixteen years later it became the County Seat, and so late as 1780 it was made a port of entry. Until that time all vessels trading to and from the port entered, cleared and obtained registers at Annapolis. None of the streets were paved before 1782, when a commencement was made on Baltimore street, from that day to this, the main street of the city. In the same year the first regular communication with Philadelphia—a line of stage coaches—was opened; and not to enlarge by tedious details, it began to assume a metropolitan appearance, and obtained an Act of Incorporation on the 31st day of December, 1796. The City Government was organized in the following year, and from the beginning of 1798 Baltimore was classed among American cities.

In 1775 a census was taken at the expense of a few private individuals, and the town found to contain 564 houses and 5,934 inhabitants. Some

idea of its steady rapid growth since this date may be obtained from the following returns of the federal census since taken:

Census.	White. Persons.	Colored Persons— Free.	Slave.	Total.	White & Colored.
1790.....	11,925	323	1,255	1,578	13,503
1800.....	20,900	2,771	2,843	5,614	26,514
1810.....	36,212	5,671	4,672	10,343	46,555
1820.....	48,055	10,326	4,357	14,683	26,738
1830.....	57,710	14,790	4,120	18,910	70,620
1840.....	81,321	17,980	3,212	21,192	102,513
1850.....	141,441	24,625	2,946	27,571	169,012
1860.....	184,520	25,680	2,218	27,898	212,418

It is thus seen that Baltimore in the last twenty years has gained in population more than it did in the first hundred years of its existence. In 1840 it contained 102,513, and in 1860, 212,418 inhabitants.

Baltimore is highly favored as a manufacturing locality. Jones' Falls and the Patapsco River afford immense water power, which is extensively employed for flouring mills, &c. Numerous cotton mills are also in operation, and in Canton and other neighborhoods iron, and other manufactures are largely engaged in. It may be well, however, to state that some of the largest of the manufactories are located beyond the city limits, but in the County of Baltimore; and hence to understand properly the true manufacturing volume belonging to the city, those of the county must be added, as in the following returns for 1860:

	Number of Establi-hm'ts.	Capital invested.	Cost of raw material.	H'ds empl'd— males	females.	Cost of labor.	Value of Product.
City.....	1,100	$9,009,107	$12,624,737	12,388	4,666	$3,974,278	$21,083,517
County.....	210	4,780,650	5,443,946	3,547	1,241	1,376,966	8,508,241
City&County	1,310	$13,789,757	$18,068,683	15,935	5,907	$5,351,244	$29,591,758

As compared with Philadelphia, New York and Boston give the following returns:

Philadelphia..	6.298	$73,318,885	$69,562.206	60,350	30,623	$27,369,254	$135,979,777
New York....	4,375	61,212,757	90,177,038	65,483	24,721	28,481,915	159,407,369
Boston.....	1,050	14,527,850	20,254,277	14,094	4,799	6,948,229	37,681,808

The above table shows that Baltimore (city and county) produces $111 to each inhabitant, Philadelphia $240, New York $197 and Boston $212.

The annual value of the products of most important manufactures of Baltimore are given in the following table for 1860:

	City.	County.	Total.
Agricultural implements.....	$233,500	$14,900	$248,400
Boots and Shoes.....	871,567	40,770	912,337
Brass Foundry.....	154,000	.....	154,000
Bread.....	469,585	19,255	488,837
Brick.....	278,600	60,700	339,300
Carriages.....	217,925	2,700	220,625
Chemicals (Bi-Chromate of Potash).....	135,000	.....	135,000
Cigars.....	672,649	.....	672,649
Clothing—men's.....	3,124,081	.....	3,124,081
Cooperage.....	319,095	.....	319,095
Cooper Smelting.....	1,300,000	.....	1,300,000

	City.	County	Total.
Cotton Goods	50,000	2,080,814	2,130,814
Flour and Meal	620,692	2,425,887	3,046,589
Furniture	534,910	.....	534,910
Gas	375,000	.....	375,000
Hats and Caps	145,047	.....	145,047
Hides and Tallow	.....	294,981	294,981
Iron Castings (including stoves)	589,000	117,959	706,959
" Bars, sheet, &c	641,125	.....	641,125
" Peg	130,000	378,000	508,000
Leather	471,010	88,650	559,660
Lime	.....	134,700	134,700
Liquors—distilled	142,000	157,377	299,377
" —malt	211,161	5,000	216,161
" —rectified	124,367	.....	124,367
Lumber, sawed and plained	401,029	24,675	425,704
Machinery, steam engines, &c	392,500	1,100,000	1,492,500
Marble and stone-work	229,760	330,000	559,760
Nails	.....	150,000	150,000
Oil, Linseed	233,000	.....	233,000
Paper	30,000	297,400	327,400
Pianos	265,000	.....	265,000
Printing	324,954	.....	324,954
Provisions—oysters packed	1,025,920	.....	1,025,920
" —Pork and Beef	928,235	.....	928,235
" —Preserved fruits	63,700	.....	63,700
Saddlery and Harness	210,491	2,275	212,766
Sails	125,400	.....	125,400
Ships and boat building	606,822	.....	606,822
Soap and Candles	433,345	.....	433,345
Sugar, refined	2,300,000	.....	2,300,000
Tin, copper and sheet iron ware	282,030	.....	282,030
Woolen Goods	.....	435,250	435,250

From this exhibit it will be seen that the most extensive cotton and woolen factories are beyond the city limits. The same may be said of its machine shops, furnaces, naileries, paper mills &c., and of full one half of its marble works, distilleries, &c. Several of these are largely carried on at Canton, a flourishing suburb adjacent to the city, to which the Northern Central Railroad has lately been extended.

The shipping registered and enrolled, and the shipping built at the port of Baltimore in 1850, and quinquennially thereafter, are shown in the following statement:

	Registered shipping.	Enrolled and licensed.	Licensed under 20 tns.	Total tons.	Of which steam.	Shipping built (tns)
1850	90,670	57,612	737	149,019	13,115	11,688
1855	110,572	71,556	981	183,109	16,340	18,817
1860	114,194	84,301	1,622	200,108	21,953	6,889
1865	64,887	129,785	2,286	196,958	20,615	7,983

The number, nationality and tonnage of shipping entered and cleared in the foreign trade of Baltimore for the same years, is returned thus:

Clearances.						Entrances.					
Year endi'g June 30,	American— Vessels.	Tons.	Foreign— Vess.	Tons.	Total, tons.	Year endi'g June 30,	American— Vessels.	Tons.	Foreign— Vess.	Tons.	Total, tons.
1850	359	89,296	162	37,523	126,819	1850	295	70,427	143	29,161	99,588
1855	364	111,696	123	47,494	158,590	1855	360	121,337	189	43,790	165,127
1860	338	115,733	208	58,267	174,000	1860	433	139,514	184	46,963	186,417
1865	129	37,906	212	71,821	109,727	1865	123	35,006	182	53,460	88,466

The aggregate values of the exports and imports in the same years are shown in the following table:

	Exports.			Total	Of which in Am. vess.	
	Domestic.	Foreign.	Total.	imports.	Exports.	Imports.
1850	$6,589,481	$377,872	$6,967,353	$6,124,201	$4,908,046	$5,529,682
1855	9,882,918	513,766	10,395,984	7,788,949	7,336,543	6,726,518
1860	8,804,606	196,394	9,001,600	9,784,773	5,907,939	8,073,328
1865	11,794,546	346,491	12,141,037	4,816,454	3,303,820	2,400,939

The exports of domestic produce to foreign countries and other agricultural States, consist in the main of flour, grain and provisions, and of late years petroleum has been sent away in considerable quantities, and also some copper, of which last large quantities are smelted in the city. But the principal staple of export is tobacco, in the leaf and manufactured, which together usually make up one-half of the total value. The following table gives full details of the leaf tobacco trade for the ten years 1857–66:

SHIPMENTS OF MARYLAND AND OHIO TOBACCO.

	1857.	1858.	1859.	1860.	1861.	1862.	1863.	1864.	1865.	1866
Bremen	17,427	15,660	18,593	24,767	31,911	12,280	10,288	15,469	13,738	15,005
Rotterdam	11,715	17,985	20,715	22,949	22,708	11,542	7,993	11,868	7,910	15,198
Amsterdam	4,066	3,759	1,298	5,221	8,183	8,024	3,370	4,837	4,753	4,192
England	2,148	4,238	1,950	3,010	6,440	3,827	3,109	2,467	1,084	682
France	7,438	16,935	8,401	6,825	5,215	4,470	6,383	7,457	5,863	6,320
Spain	.. .	2,601	....	1,169	....	6,296	5,050	2,280	5,202	818
Trieste	1,213	1,140	....	900	....	. ..	....	....	....	....
Antwerp, &c	252	....	....	....	1,133	....	....	....	....	....
Total, hhds	44,259	62,368	50,957	64,841	75,590	48,439	36,193	44,378	38,560	42,215

The total inspections and exports (including Kentucky and other tobaccos,) in the same years, were as follows:

	Inspections.				Total	Stocks at
Years.	Maryland.	Ohio.	Other.	Total.	exports.	end of y'r
1866	31,515	15,579	566	47,660	52,663	17,645
1865	25,479	15,396	3,077	43,952	42,605	22,297
1864	28,518	21,961	2,140	52,619	45,052	20,938
1863	36,676	17,032	2,267	55,975	44,137	21,560
1862	41,493	13,560	3,646	58,699	13,447	6,450
1861	50,407	14,152	3,012	67,571	85,237	24,500
1860	51,000	23,000	2,700	92,838	68,338	15,181
1859	44,480	15,351	3,022	62,801	55,974	8,359
1858	45,200	22,300	3,169	70,609	66,534	4,219
1857	38,057	7,640	1,608	47,305	47,162	4,584
1856	38,330	12,959	1,563	52,852	55,798	7,439
1855	28,470	10,097	991	39,558	36,392	3,733

The inspections of flour in Baltimore for the last five years was as follows:

	1866.	1865.	1864.	1863.	1862.
Howard street	189,871	244,246	316,429	317,229	316,396
City Mills	329,466	398,819	410,219	437,638	394,140
Ohio	328,788	262,080	240,383	278,153	212,989
Family	65,009	78,846	66,402	69,838	64,100
Total, barrels	913,134	984,021	1,033,433	1,102,852	967,632
Rye	11,199	12,255	7,140	7,400	10,531
Corn Meal	46,061	32,892	30,977	40,025	29,570

The exports of flour from Baltimore to foreign countries chiefly to Brazil, the West Indies and the British North American Colonies for the same years were as shown in the following statement:

	1866.	1865.	1864.	1863.
Brazil	92,541	120,951	170,594	157,286
West Indies	70,070	74,407	98,969	83,473
British North Amer. Colonies.	16,507	17,249	14,430	33,412
Other countries	1,180	1,873	49,049	52,279
Total, barrels	179,298	215,474	333,042	326,450

The following table shows the receipts of wheat and other grain from all sources:

	1866.	1865.	1864.	1863.
Wheat	1,359,604	1,887,570	1,960,092	2,329,058
Corn	4,479,033	2,936,246	2,286,003	2,201,983
Oats	1,333,510	1,250,604	946,710	1,603,212
Rye	73,494	75,240	55,518	45,361
Total, bushels	6,245,641	6,149,660	5,248,323	6,179,614

The great bulk of the wheat here represented is manufactured in the city, and furnishes a flour which has a high standing in all markets.

The chief returns from foreign countries are coffee from Brazil, sugar from the West Indies, and fish from British America. The imports of coffee for the last four years are represented thus:

Orig'n.	1866.	1865.	1864.	1863.
Brazil	160,437	86,725	91,184	73,957
Venezuela	2,761	.....	4,504	.....
Other countries	1,477	1,540	1,232	1,642
	164,725	88,265	96,920	75,599
Coastwise	16,145	12,219	700	202
Total (bags)	180,870	100,484	97,620	75,801

The quantity of sugar and molasses imported in the same years was as follows:

	1866.	1865.	1864.	1863.
SUGAR—West Indies, hhds	49,922	40,730	19,611	28,095
" bbls & bxs.	48,319	36,500	5,146	6,646
MOLASSES—hhds	9,337	6,146	5,635	5,380
tcs	2,430	1,160	1,812	1,466
bbls	1,353	406	2,471	608

The great bulk of these imports is sent West by the Baltimore and Ohio Railroad for the markets of the interior, Cincinnati, Louisville, and St. Louis.

Baltimore has been long noted for its copper smelting works, and of late years also for its iron founding. The Baltimore and Cuba Mining and Smelting Company has a capital of $1,000,000, and carries on its operations at two establishments—one at Canton on the east, and the other at Locust Point on the south side of the harbor, and these jointly work thirty-four reverberatory (including four refining) furnaces. The number of hands employed as refiners, smelters and laborers is about 300, at wages

ranging from $1 50 to $4 per day. These two establishments consume from 30,000 to 36,000 tons of Cumberland coal annually. The ores are chiefly brought from Cuba, but also largely from the Lake Superior and other domestic mines. The copper finds its chief market in New York. In the iron interest there are nine blast furnaces which in 1866 produced about 30,000 tons of 2,240 lbs., and about equally divided between the charcoal and anthracite varieties. The rolling mills have been in fair activity during the year, but less so than when there was a war-demand for the celebrated boiler iron made here.

No other market is so largely engaged in the guano trade as Baltimore. The trade, however, lost its usual proportions during the war. The arrivals in 1866 were eleven vessels from the Chincha Islands, bringing 13,000 tons, and twenty other cargoes principally of Navassa, amounting to 7,000 tons—making an aggregate of 20,000. Most of the Chincha was taken by the South, the cargo price having been $60 (gold) per ton. The Navassa imports also found ready sale, being chiefly used in the manufacture of other fertilizers. Baltimore continues to be one of the great centres of the oyster and canned fruit business. The houses prosecuting the trade now number upwards of forty and employ more than 4,000 persons of both sexes in the various departments of shucking, packing, peeling, preserving, &c.

The oyster packing commences in September and continues to the middle of June. The quantity of oysters brought to this market annually is variously estimated at five to seven million bushels, some 2,000,000 bushels are packed raw in cans (iced) of 2 to 5 quarts in size requiring about 4,250,000 cans and 200,000 cases; and about 3,000,000 bushels are done up in hermetically sealed cans. The raw or fresh oyster branch gives employment to about 1,500 persons, shucking, packing, &c. The shuckers are principally negroes. The hermetically sealed branch requires about 2,500, chiefly white families. The new process of steaming renders the opening of oysters so simple that children may do it. The number of cans of one, two and three pounds each, hermetically sealed daily during the active season is quite 75,000; and in this branch about 8,000,000 cans are used annually. About the same number of cans is used in the sealing of fruits and vegetables in the summer season. Thus some fifteen or sixteen millions cans of oysters, fruits and vegetables are the products of this industrial pursuit and these again require about 600,000 cases in which they are packed. The manufacture of cans gives employment to upwards of 400 persons, and the value of tin, solder, &c., used in the manufacture is near a million dollars. The case making employs from 240 to 250 carpenters. The total value of this business is between $5,000,000 and $6,000,000 a year. The vessels employed in taking oysters for this market aggregate about 50 tons to each vessel; and some 500 or 600 vessels of a larger class are engaged in running them to market. The crews of these vessels number about 6,000 persons. In the summer and autumn or the fruit and vegetable season as many more are engaged packing, boxing and shipping these products to Baltimore by steamers and bay craft; and when all these oysters and fruits and vegetables reach the wharves there is a teeming hive of carters, carmen, and draymen who derive a living from the delivery of the same.

This trade has so rapidly grown to prodigious proportions within a few

years, as to excite astonishment with those even who have had most experience in it. The chief points of shipment for these goods are to the West, far West, and the North and Southwest. The trade to California, once so large, has now become insignificent.

RAILROAD EARNINGS FOR FEBRUARY.

The gross earnings of the under-specified railroads for the month of February, in 1866 and 1867, comparatively, and the differences (increase or decrease) between the two periods, are exhibited in the subjoined statement:

Railroads.	1866.	1867.	Increase.	Decr'se.
Atlantic and Great Western	$408,864	$377,852	$.....	$31,012
Chicago and Alton	222,241	*250,000	27 759	.....
Chicago and Great Eastern	79,430	77,626	....	1,804
Chicago and Northwestern	453,695	586,743	133,048	.....
Chicago, Rock Island and Pacific	2 9,069	184,497	.....	24,572
Cleveland and Pittsburg	151,930	*135,000	.....	16,930
Erie	987,935	917,639	.....	70,296
Illinois Central	505,266	554,201	48,935	.....
McGregor Western	16,500	15,000	.....	1,500
Marietta and Cincinnati	84,264	78,976	.....	5,288
Michigan Central	265,796	283,661	17,865	.....
Michigan Southern	283,179	302,437	19,258	.....
Milwaukee and Prarie du Chien	84,897	85,000	103	.....
Milwaukee and St. Paul	122,621	130,000	7,379	.. ..
Ohio and Mississippi	246,109	219,065	.....	27,044
Pittsburg, Fort Wayne and Chicago	480,986	522,821	41,835	....
St. Louis, Alton and Terre Haute	155,893	149,342	....	6,551
Toledo, Wabash and Western	194,167	200,793	6,626	....
Western Union	36,006	27,667	.....	8,339
Total (19 roads)	$4,988,848	$5,098,320	$109,472	$.....

The statement which follows shows the miles of road operated, and the gross earnings per mile of the same roads for the same months:

	Miles Road.		Earnings.			
Railroads.	1866.	1867.	1866.	1867.	Incr.	Dec.
Atlantic & Great Western	507	507	$806	$756	$...	$ 50
Chicago and Alton	280	280	794	893	99	...
Chicago and Great Eastern	224	224	354	346	...	8
Chicago and Northwestern	1,032	1,032	439	568	129	...
Chicago, Rock Island & Pacific	423	423	494	436	...	68
Cleveland and Pittsburg	204	204	745	661	...	84
Erie	798	732	1,238	1,253	15	...
Illinois Central	708	708	713	782	69	...
McGregor Western	50	66	330	227	...	103
Marietta and Cincinnati	251	251	336	314	...	22
Michigan Central	285	285	933	995	62	...
Michigan Southern	524	524	540	577	37	...
Milwaukee & Prairie du Chien	234	234	363	364	1	...
Milwaukee and St. Paul	275	275	446	473	27	...
Ohio and Mississippi	340	340	724	644	...	80
Pittsburg, Ft. Wayne and Chicago	468	468	1,028	1,117	89	...
St. Louis, Alton and Terre Haute	210	210	742	713	...	29
Toledo, Wabash and Western	484	484	401	415	14	...
Western Union	177	177	203	160	...	43
Total (19 roads)	7,474	7,424	$667	$687	$20	$...

On a less mileage by 50 miles than in 1866 the aggregate gross earn-

* The earnings of the Chicago and Alton and Pittsburg and Cleveland railroads for 1867, are estimated.

ings of the above nineteen roads have exceeded those of that year by $109,472, or $20 per mile of road operated. Ten of the nineteen roads represented in the table, measuring 5,022 miles, have increased their earnings by $302,608 or $60 24 per mile; and nine roads, measuring 2,402 miles. show a decrease of $193,472, or $80 50 per mile. The Chicago and North Western appears to have increased its earnings more largely than any others of the series—the Cleveland and Pittsburg, the Ohio and Mississippi, and the Rock Island are those exhibiting the largest decrease. The Erie, though showing a decrease in absolute amount, has actually increased its earnings to the extent of $15 per mile of road operated. The statement on the whole will no doubt be considered favorable; and, indeed, it shows better general results than have been witnessed for a long time past.

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st of February, the 1st of March and the 1st of April, 1867, comparatively:

DEBT BEARING COIN INTEREST.

	Feb. 1.	Mar. 1.	April 1.
5 per cent. bonds	$198,091,350	$198,091,350	$198,091,350
" " of 1867 and 1868	15,779,442	15,679,442	15,482,642
" " of 1881	283,745,250	283,745,400	283,745,600
" " 5.20's	910,029,500	954,839,000	989,562,000
Navy Pension Fund	12,500,060	12,500,000	12,500,000
	$1,420,145,542	$1,464,855,192	$1,499,381,592

DEBT BEARING CURRENCY INTEREST.

6 per cent. bonds	$12,922,000	$12,922,000	$12,922,000
3-year Compound Interest Notes	143,064,640	141,308,830	139,028,630
3-year 7.30 notes	663,686,100	632,798,050	582,330,150
	$819,672,740	$787,028,880	$734,280,780

DEBT ON WHICH INTEREST HAS CEASED.

Various bonds and notes	$15,791,454	$14,576,689	$12,235,658

DEBT BEARING NO INTEREST.

United States Notes	$381,427,090	$376,235,626	$375,417,249
Fractional currency	28,743,734	29,514,722	29,217,495
Gold certificates of deposit	19,992,980	18,376,180	12,590,000
	$430,163,804	$424,126,528	$417,225,344
Aggregate debt	$2,685,773,540	$2,690,587,289	$2,663,713,374
Coin and Currency in Treasury	142,423,791	159,823,399	140,285,304
Debt, less coin and currency	$2,543,349,749	$2,530,763,890	$2,523,428,070

The following statement shows the amount of coin and currency separately at the dates in the foregoing table:

	Feb. 1.	Mar. 1.	April 1.
Gold Coin	$97,354,604	$107,271,031	$105,956,477
Currency	45,069,187	52,253,368	34,328,827
Total gold coin and currency	$142,423,791	$159,823,399	$140,285,504

LETTER TO THE SECRETARY OF THE TREASURY,

RELATIVE TO A PROPOSED CHANGE IN THE MINT LAWS OF THE UNITED STATES UPON THE SUBJECT OF THE REFINING OF GOLD AND SILVER.

SAN FRANCISCO, Nov. 13, 1866.

DEAR SIR: In compliance with your request I hereby submit to you in writing a statement of such facts connected with our mining and minting operations as, in my opinion, are necessary to a clear understanding of the important interests to which they are germain, and without which no intelligent action can be taken.

I may be permitted to refer to the recent instructions of the Secretary of the Treasury to Mr. J. Ross Browne, the special agent of the department, as embodying succinctly the whole field of inquiry upon these important subjects. The Secretary justly observes that "whatever tends to develop the vast resources of our new States and Territories must add to the wealth of the whole country;" and he desires Mr. Browne to ascertain "what financial facilities may tend to develop the country and enhance its products."

Having yourself visited several of our mining districts, it will be only necessary to refer to your own sources of information upon many points of inquiry connected with these subjects.

As an indication of the magnitude of our mining interests, I will here merely premise that it would be an under-estimate to say that the mines of this State, and the adjacent Territories which are tributary to it, have for the past seventeen years produced an average of $60,000,000 per annum, or an aggregate of $1,000,000,000. And yet so unremunerative are mining operations as a whole, that it would be difficult to-day to find in this State one man for each $100,000,000 produced who has grown rich by working the mines. There is no subject upon which there exists such widely diffused error in the public mind as this, and perhaps there can be no more overwhelming refutation of the fallacy of these impressions than the simple statement of the fact, which is within the knowledge of every one having any personal acquaintance with the history of our mining operations. In early days, when the bars and beds of our mountain streams glittered with gold, and our surface diggings offered rich rewards to individual labor, there were, doubtless, many who reaped golden harvests with little labor and no capital. But these have long since been exhausted, and mining now can only be carried on successfully by a combination of labor and abundant capital. Indeed, mining here is not essentially different from what it has always proven the world over—a facinating illusion, in which the exceptional instances of success seem alone to be remembered, and to supply the incentive which still lures on its votaries, regardless of the overwhelming preponderence of the disastrous experience of others. And yet, while it involves nine out of ten in heavy pecuniary loss, if not absolute ruin, its result and effect is to "enhance the product" and "add to the wealth of the whole country."

The development, therefore, of this important element of national wealth

should receive every encouragement at the hands of the Government, rather than be repressed by a system of taxation, which practically amounts to the taxing the privilege of a man's spending his own money for the public good. However, many of the evils under which this important interest has heretofore labored will doubtless be remedied by the mineral land law of last Congress. There still exists the high mint charge and the internal revenue tax of one-half of one per cent., which resulted from the various propositions to tax our mines. From the discussions in Congress, this tax seems to have originated in the idea that individuals were reaping private fortunes from the public domain without any return. Apart from what I have already said upon the subject, you can judge yourself how much foundation there is for this belief. But what I more particularly desire to draw your attention to, is its unjust application to foreign mines as well as domestic, the effect being to *repel* the products of Mexico and British Columbia, and force them into other channels. This is the result of making assayers the commissioners for the collection of the tax, and compelling them to collect it upon all bullion which they assay. It seems to me that if this matter was properly represented to the Commissioner of the Internal Revenue, he would at once authorize assayers and refiners, upon proper evidence of the foreign origin of bullion being produced to them, to stamp it as such, instead of imposing upon it a tax which was clearly never intended.

In reply, therefore, to the inquiry of the Secretary, "What financial facilities may tend to the development of the country and enhance its products?" I should unhesitatingly reply, a complete abrogation of all taxes and restrictions upon mining enterprises and a radical change in our *whole system of mining laws.*

If it be true that gold alone is the true measure of value, and that the metallic wealth of a country is the only safeguard to national and individual credit or solvency in periods of fiancial disturbance, it would seem to follow as a very simple principle of political economy that all legislation upon such a subject should be directed to the encouragement of its importation from abroad, and the retention in circulation of our own production, or as the representative of other mediums of exchange, and into which they are at all times convertible. Yet, strange as it may appear, all of our legislation upon this important subject has a directly opposite tendency. By imposing high mint charges upon the recoinage of foreign currency, and exhorbitant refining and revenue charges upon foreign and domestic bullion, it deters the one from seeking our markets, and compels our own to seek the cheaper markets of other nations, or, rather, where the smaller charges make its commercial value greater than its minting value at home.

While this subject has been engaging the attention of the first statesmen of Europe for the last three hundred years, and they have been constantly modifying their laws upon the subject, and adapting them to the changes in domestic and international commerce, it has been almost entirely neglected by our government. About the only thing it has done since the discovery of gold in this State, and the magnitude and importance which the subject thereby acquired, was to pass the act of March 4, 1863, looking to exclusion of refining from the mint, and making the retrograde movement of creating, in addition to other de-

ductions, a coinage charge, by the acts of February 21 and March 3, 1853.

The practical result of this is very apparent. These mint and revenue charges now amount to about 1¾ per cent. on gold deposits and 2½ per cent. on silver. By collecting these charges directly from the owner of the bullion, as a deduction from its value, the minting or net coining value per ounce, of our bullion, is reduced considerably below its commercial value, which is governed by the foreign markets, where no such tax or extortionate rate exists, and where minting expenses are defrayed from the public treasury, or by some special tax upon some article of general consumption, and not by a deduction from the value of the bullion.

The theory is a perfectly just one. The making of money is a necessity of government and a benefit to the entire community, and its expense should be borne by them equally, and not solely by the few who produced the material which enables the government to supply its own prime necessities. There is no more justice in doing so than there would be to charge the manufacturer who with his own capital and labor produces the parchment or paper of which your currency is made with the cost of engraving, printing, and other expenses of converting it into money. It is im material to the government how the expenses of its mints are defrayed, so it is done, yet it is very apparent that the particular mode by which it is done may lead to the most important results, for it cannot be denied that by raising the minting value of our bullion at home we not only retain a much larger portion of it in circulation, but we at the same time attract the products of foreign mines, for the same reasons that ours now goes abroad. The policy, therefore, of trying to make our mints self-supporting at the expense of the mining interests only has not only being a signal failure as a public measure, but is not sustained by the usages of any other nation, and is opposed to every just principle of political economy. The remedy is apparent and easy. The annual expenses of our mints are a mere bagatelle in the general disbursements of the government, and it could well afford to throw them entirely upon the general treasury without its being felt. They are now principally owing to the fact that, while other governments have long since restricted their mints to the more legitimate operations of coining money only, our government still adheres to the expensive practice of also refining the gold and silver neeessary for this purpose. And while these charges are very high, and operate as a very oppressive tax upon the miner, they altogether fail to cover the cost. This is, however, in a great measure owing to the fact that our mint officials have always exercised an authority in this particular matter that the law does not seem to sanction. It is very clear and mandatory upon the point, and says positively that the charge shall cover the cost, including material labor, wasteage, &c., and the authority which it subsequently gives to change these charges from time to time clearly means such changes only as are necessary to make these charges conform to the changes which from time to time may take place in the cost of material, labor, &c.

Acting on their own interpretation of the law, they have adopted a tariff of charges quite as remarkable as their construction of the law itself, and have made their charges in an inverse ratio to the cost. This not

only makes it necessary for the government to make large appropriation every year to cover the deficiency, but establishes an unjust tariff, to which private refiners must conform, while it is clearly the desire of the government that they should be encouraged, so as to relieve it entirely of this expensive operation. I have no doubt that, upon examination, the appropriations which the government makes annually to cover the deficiencies of the mints, growing out of their refining operations, will be found to exceed what it makes from its coinage charges; and, hence, could they get rid of the cost of refining, they could readily forego the small profit they made from coinage, and be better off for doing so, while they, at the same time, relieve the mining interests of the country from the oppressive tax. Again, by the mint's not making any difference between deposits or refined and unrefined bullion in the time of payment, the private refiner is not only compelled to conform to the unjust tariff of the mint, but his bullion, after it is refined, is used by the government to pay depositors whose gold is not refined for several days subsequent, and all because the law simply says that deposits shall be paid in the order in which they are made. To accomplish all that the government desires, the private refiners only want common justice, and they will soon so far outstrip the government in the advantages they will offer the miner as soon to relieve it entirely of the expense of refining. The government uses the tedious and expensive process of refining by nitric acid, (which alone can be used in the heart of the city,) while private refiners employ the more expeditious and economical process of sulphuric acid.

There are a number of ways in which the government can aid and facilitate the consummation of this end if it so desires. The one which seems to me best adapted to this country, where the people are so deeply interested in the efficiency of the mint, and are so jealous of everything touching their peculiar interests, would be to have Congress give to the Secretary of the Treasury authority to contract with private refiners for an exchange of the crude bullion deposited at the mint for bullion fit for coinage or for gold coin, less such charges as might be agreed upon. This course has the advantage of relieving the government of all risk on the one hand, while it secures to the miner the benefit of the government assay and the government responsibility. When this is once accomplished the coining value of our bullion would at once become greater than its commercial value, and the result would be that the entire produce of our moneys would be coined at home, and here, at least, we would be relieved of those constantly recurring periods of stringency in the money matters growing out of the demand for, and shipment abroad of, our bullion.

During your sojourn here you doubtless learnt enough of our peculiar system of exchange with the interior to understand that while the coinage of about $20,000,000 per annum seems to answer all of our wants as a circulating medium, yet nearly our entire product is made to answer the purpose of coin, being remitted from the interior in payment of merchandise sold by our merchants.

It is clear to my mind that if the government would repeal the coinage and internal revenue tax upon all bullion, and give such encouragement to private refiners as would secure to the owners of the bullion the benefits of their more moderate charges, the results which would accrue to the country in the reduction of the price of gold, and the consequent advance

in our national securities would much more than compensate for loss of revenue now arising from those sources.

In connection with this subject it has occurred to me that if the government does not deem it expedient to throw the expenses of its mints upon the general treasury, a tax might be imposed upon bills of exchange, drawn against shipments of specie or bullion, that would answer all the purposes of the coinage and revenue charges now made, and at the same time serve the further purpose of raising the coining value of our bullion at home, as I have before observed, and likewise impose an additional obstacle to its shipment abroad; and all tending to the enablement of our government to return to a specie basis at an early day.

The difficulties of treating these important subjects within the limits of a hurried letter must at once become apparent to you, and I have therefore not attempted to do more than give you a general outline. with a few of the more important facts and considerations appertaining to the subject.

If the suggestion which I have thrown out was adopted, and the mints were allowed to exchange crude bullion for bullion fit for coinage, they would at once be relieved of the expense and necessity of refining; but if it be deemed best to bring about that result by degrees, it would perhaps be best accomplished by giving such a preference to the bullion refined by private enterprise as would make it to the advantage of the depositor to patronize such establishments, and it would, in my opinion, be better to relieve such bullion of the coinage charge than it would to limit the amount to be received by the mint, as now provided by law.

Very respectfully, your obedient servant,

LOUIS A. GARNETT.

John Jay Knox, Esq.,
Treasury Department, Washington, D. C.

WOOL AND WOOLEN MANUFACTURES OF CALIFORNIA.

(*From the San Francisco Mercantile Gazette, Jan.* 9, 1867.)

The year closed upon a market exceedingly depressed and with scarcely a hope of speedy improvement. The causes producing the condition of the market, noticed in our statement for the quarter ending October first, have been in no wise improved, and still continue to present a foreboding outlook for the future. It is true something is anticipated from the probable action of the present Congress upon the tariff question, but it is questionable if any changes that may be made will prove of more than temporary benefit, and they may fail even of that Within the past four years the increase of woolen manufactures in the United States has been immense, and fully enough to supply the American markets from the product of American looms, a most desirable event if it could be made practicable. But notwithstanding a tariff of nearly fifty per cent. on the cost of manufactures, and in face of this abundant supply of machinery for the production of all the fabrics we may need, our imports have been on a scale of unsurpassed magnitude and our markets completely glutted with goods of foreign make. The fact seems to be that the American markets have been so long

a source of profit to foreign manufacturers that they contemplate exclusion from them with extreme reluctance, and having as yet no other outlet for their products, are prepared to encounter losses if necessary to retain possession. The contest is between the enterprise, skill and energy of American manufacturers and the cheap labor of Europe, and the apparent protection extended to our manufacturers by the present tariff is nearly or quite neutralized by the high cost of labor, oils, dye-stuffs, etc., which are all enhanced by similar duties, and the various Government taxes to which they are subjected. Under the existing condition of the commercial and financial interests of the country, the high duties at present enforced only add temporarily to the Government revenue at the expense of the consumer, and without protecting our own industries in any degree. It would seem as if further increase in tariff rates would only result in adding to the burden of consumers without materially benefitting manufacturers or wool growers; and until the whole course of our commercial relations reaches a settled and healthy basis, the joint interests of wool growing and wool manufacturing must continue subject to fluctuations that cannot be forseen, and labor under depressions like the present. Our local manufacturing interests are probably in a better condition than those of any of the Eastern States, having, in the abundant supply of cheap Chinese labor an ample market for their products at their own doors, and entire exemption from any currency fluctuations, great advantages over any of the New England factories; and while the latter have been making continuous losses through the past year, the former have marked up handsome margins of profit. The additions to the woolen machinery on this coast have been important, and will increase the total consumption for 1867 probably very nearly thirty-three per cent. over the year 1866. This is a fact of great importance to our wool growers, and should encourage them to increase their products even in the face of one or two years of low prices, and should stimulate them to the exercise of the greatest care in the making up of their crops for market. The following internal revenue tax has been paid in this city from December 1st, 1865, to November 30th, 1866, upon manufactured goods: Pioneer Woolen Mills—woolen fabrics, $578,351; clothing, $419,979. Mission Woolen Mills—woolen fabrics, $629,859; clothing, (September, 1866, to November 30th) $74,959. This latter company manufactured a large amount of army clothing for troops here and in the East, and in the State Prison, not included in the above. We present our annual tables of receipts and shipments, and add some brief memoranda of the successive years since 1861:

RECEIPTS (IN BALES).

	1862.	1863.	1864.	1865.	1866.
First quarter	70	613	1,014	511	661
Second quarter	15,784	21,201	21,498	17,191	17,392
Third quarter	5,378	4,327	5,534	5,873	5,603
Fourth quarter	5,906	7,340	5,163	6,698	7,292
Total	27,133	33,481	33,209	29,273	30,958
Deduct received from Oregon, Sandwich Islands, etc	2,051	1,714	2,151	3,955	3,766
Production of California proper	25,087	31,767	31,058	25,315	27,187

TOTAL RECEIPTS ESTIMATED IN POUNDS.

	1862.	1863.	1864.	1865.	1866.
California	5,343,531	6,559,885	7,236,514	6,455,070	6,546,750
Oregon, etc	410,200	342,800	430,200	791,600	753,200
Total	5,753,731	6,902,685	7,666,714	7,246,670	7,299,950

SHIPMENTS (IN BALES.)

1862.	1863.	1864.	1865.	1866.
22,348	11,316	15,998	15,329	10,165

To the above receipts should be added the Pulled Wool made in San Francisco, which figures among the shipments or in consumption, and is estimated for the year at about 700,000 pounds, and with the estimated amount of all kinds now on hand would give the following approximate figures :

Regular receipts from all sources, (lbs)	7,299,950	
Amount of Pulled Wool made in San Francisco	700,000	
Total stock		7,999,950
Exports per manifest weights, (lbs.)	4,635,000	
Fleece Wool on hand, estimated	500,000	
Pulled Wool on hand, estimated	100,000	
		5,235,000
Balance retained for local consumption, (lbs)		2,764,950

In presenting the following brief mention for the years 1861 to 1866 inclusive it may be necessary to remark that through the whole Pacific coast Sheep are raised wholly on the natural pasturage throughout the year, hence the changes of the weather and condition of grazing through the early winter months controls the condition and character of the succeeding clip very greatly.

1861.—The clip of this year was generally in very fair condition, the bulk of it being of low grade, with a large proportion of kempy and coarse wools; still the staple was sound and open, and the skrinkage light. The amount received at San Francisco from all sources was estimated at 4,600,000 lbs. Prices ranged from 6c to 16c. the highest point having been 19¾c. The market was depressed by the excitement attending the commencement of the war.

1862.—The winter of 1861-2 was marked by an immense rain-fall, continued until to-wards April. The interior valleys were generally flooded and the loss of stock of all kinds very large. Owing to the excessive rains the clip came forward very nearly as light as washed wood; and as the forage was abundant, the staple was fairly healthy. The first receipts of the season were March 8th—prices opened at 19@21c., advanced to 23@23c.; in April, 24c.; in June and July 26@28c. The fall clip began to appear in August, opening at 21@22c., and maintaining that range strongly to the close of the year. Gold opened at 101, reached 137, and closed at 133.

1863.—The winter of 1862-3 was much drier than the preceding year, though sufficient rain fell to produce an abundance of grasses, etc. The clip of Wool was generally in good condition, and the efforts of the wool growers to improve their flocks by introducing Merino crosses, and by throwing out the kempy and inferior Mexican stock, made a marked change in the quality of the Wool. The market opened in April at 24c., advancing to 26c., and as high as 30c. for some choice lots. Through May prices ranged at 24@29c ; through July at 23@26c. Fall clip opened in August at 20½c., advanced to 23@25c. in September, 26@27c. in October, and closed in December at 22½c. Gold opened at 134, reached 172, and closed at 152.

1864.—The winter of 1863-4 was pre-eminently the dry season; but little rain fell, and the prevalence of cold, dry north winds dried the surface of the ground, and checked vegetation, so that the opening spring found the pasturage worse

than at the close of the previous autumn. The sheep were pinched and poverty stricken, and the clip of wool consequently inferior—it was defective in staple, loaded with dust and dirt, and in all respects bad, The market opened March 16th at 24c, ranged from 20@24c. through April and May, reached 23@25c. in June, with occasional sales of choicer lots at 27@28c., and fell back in July to 21@23c. Fall clip opened in August at 21c., maintained about that point through the fall, and declined in December to 16@18c. Gold opened at 152, reached 285, and closed at 228.

1865.—The winter of 1864–5 was somewhat more favorable to general farming interests, sufficient rain having fallen to produce fair crops of grain and grass; but the first storms were severe and cold, and stock of all kinds prostrated by long starvation, perished by thousands. The loss of sheep was variously estimated at 25@33 per cent. of the entire stock. The spring rains were scanty and not sufficient to cleanse the wool at all; the whole clip went forward to market dirty, greasy, weak fibred and short stapled—the poorest clip that California ever produced. Despite the poor condition, prices ruled high throughout the year. The first arrival was March 15th, and brought 24c. Through April and May prices ranged from 20@24c., with occasional sales at 26c., and through June and July 22½@24½c. Fall wool opened at 17@18c., advanced to 21@22c., and closed in December at 20c. Gold opened at 230, declined to 130, and closed at 145.

1866.—The winter of 1865–66 was one of the most favorable possible. During October and November sufficient rain had fallen to start the grasses finely. There was no perceptible change in the condition of the flocks of sheep in the transition from the autumn feed to the new grass, and early in the year it became apparent that the coming clip would be of unusual excellence. The result has fully justified these expectations, and it is doubtful if a better clip was ever marketed in California. In the amount of wool most calculations have been disappointed; it has not equalled the estimates, though it may be that the low state of the market for Fall wools tended to keep some clips back in the country, and deter many farmers from full shearing. The market opened in March at 21c., advanced to 22@23c., with occasional sales at 24@25c., and receded in July to 19@21c. Fall wool began to arrive in August, with sales at 17@18c., and has steadily declined since, closing at 12@14½c. for good to choice without buyers, and in larger stock than was ever known at the same period.

Thus far the winter of 1866–7 has been more favorable than that of 1865–6. The rains have been copious and the weather uniformly warm. Grasses never showed so large a growth at this period of the year. The sheep are in unusually good condition, and the prospect for a large increase from the flocks is very excellent. Should we get our usual March rains the coming clip will excel any yet produced in California, and in any event it cannot fail of being every way desirable. In amount it may not largely exceed that of 1866, as the consumption of mutton has been unusually large, and so far as the production of wool is concerned each mutton sheep may safely represent two yearling lambs. As approximate estimate, we may expect for the year 1867 the receipts of this port to equal nine million pounds; the local consumption to reach four million—leaving for export about two million pounds. Looking over the whole field, our wool growers have no cause to remit their efforts to increase and improve their flocks; the depres-

sion in the wool market cannot be continued more than a year or two, and may possibly be relieved earlier than is now expected, and, in the meantime, the demand for butchering purposes is such as to guarantee a profit in raising sheep, independent of their product of wool.

Oregon has increased its shipments to us but very little ; such wools as have come from them have maintained the past reputation for excellence, but the increase of manufactures there, is gaining steadily on the production ; and bids fair to absorb it ere long. Small as the increase of export has been this year, it compelled some of the mills to draw upon California, and some parcels have been shipped to Oregon within the past few months, but the amount so sent was but trifling, and confined to the lowest grades.

A NEW ROUTE ACROSS SOUTH AMERICA.

The following translation of an article from a Lima newspaper, *El Nacional*, of January 21, descriptive of a new route opened up between the Pacific and the Atlantic :—

By this recent discovery the navigation of the rivers which rise in the Andes of Peru and flow into the Atlantic is brought within 70 leagues of the Pacific Ocean, at the seaport of Huachio, 63 miles north north-west of Callao. The President of the Republic and the community should rejoice, for the trans-Andine navigation to the Atlantic has been just definitely established. The steamers Mayo, Putumayo, and Morona are at only the distance of 70 leagues from the shores of the Pacific. In eight hours by railway this distance may be traversed, and our communication by the Amazons opened up with the Atlantic.

The young Prefect of Loreto, Don Benito Arana, proposed to General Prado (President of Peru) the naval exploration of the rivers with the three steamers above mentioned. Being fully authorised by his Excellency the President, Arana set out on this expedition, and on the 1st January, 1867, at five P.M., the steamers Mayo and Putuymayo cast an anchor on the port on the river Mayro, which henceforward will be known to the world by the name " General Prado." The Morona arrived a few hours later.

Notwithstanding the inconvenience which attended the navigation, the vessels have reached the Mayro in good condition ; but having found the port deserted, and being short of provisions, they sent commissioners to Profure, and, when supplied with necessaries, the steamers will return to Iquitos. Senor Arana is expected to arrive in Lima by land, to give verbal information on the particulars of his glorious enterprise. The expedition was not entirely pacific. Our readers may remember the unfortunate incidents which gave rise to the catastrophe of Tavara and West, killed and devoured by the Cashioo man-eaters. Arana resolved to seize such as appeared culpable ; and on the 7th December he disembarked on the banks of the Pachitea. The Indians resisted, and attacked with bows and arrows the party of Arana, who, at the sound of conflict disembarked the crew of his ships. The fight lasted five hours, and was protracted by the forest, behind the trees of which the Indians sheltered them-

selves. At last they fled in terror, leaving upwards of twenty of their tribe dead on the ground. By the declaration of two woman and thirteen boys who were taken prisoners, and sent to the village of Cashiboya, it appears that among the slain were found the principal assassins of the ill-doomed mariners, Tavara and West.

The enterprise of Orellana, Orzoa, Tejeira, Acunha, Fritz, Condamine, and many other coadjutors of Christian civilization, is at length completed, through the exertions of the young and enthusiastic Prefect Loreto, assisted by the meritorious officers in command of our steamers. They have thus realised the unity of Peru, and opened up for our commerce with Europe a new and rapid means of communication.

The correspondent adds—"The arrival of the Peruvian steamers at the port of 'General Prado' on the Mayro will probably stimulate the patriotism of the present Supreme Chief of Peru to open a railway from Huacho to the head stream of the navigation of the Amazonas during his day of brief authority, and before the exhaustion of the guano of the coast—which otherwise may soon disappear, and leave behind no lasting work of improvement, in roads or bridges, to facilitate and extend the vast natural resources of the Peruvian Republic."

IRISH SEA FISHERIES.

The Commissioners for administering the laws relating to the deep sea and coast fisheries in Ireland report upon the whole in the year 1865 the continuance of a manifest and decided improvement in the condition and progress of those fisheries as compared with their state a few years back, an improvement, however, scarcely, if at all, apparent this year on the western and northern coats, partly owing to the loss by emigration of the more able men, the poor condition and equipment of the boats, and the wants of an immediate and remunerative market, but partly also, it seems, to real scarcity of fish. But the return of the herrings to the east coast and the success of mackerel fishing in the deep sea have given confidence to the Irish fishermen; and the haddock and whiting, which for a very long time had scarcely been seen on the coast, re-appeared last year. The oyster fishery is not in a prosperous condition—not owing to any decline consequent on natural causes, but to the increased demand and price stimulating dredging to an extent which the beds are unable to bear. The commissioners have extended the close season on the southeast coast, and encouraged the formation of private layings with a view to create sources whence the public beds may be re-stocked. They feel obliged to dissent from the recommendation of the royal commission in reference to the abolition of a close season for the oyster fishery, and the removal of the restrictions on trawling on the banks along the coast, believing that the fish ought to be left undisturbed during the spawning season. The coast-guard returns for 1865 show that there were employed in fishing 8,989 vessels, 35,184 men, and 2,730 boys—a decrease, as compared with the previous year, of 311 vessels, 2,232 men, and 794 boys; 6,582 tons of fish were conveyed by railway in Ireland in the year 1865, being 230 tons more than in the previous year.

STATISTICS OF COAL.

An interesting Blue-book has just been issued by Great Britain containing reports from Her Majesty's Secretaries of Embassy and Legation respecting the production of coal in different countries. According to these reports the production of coal in Austria in 1864 was 4,499,133 English tons; in 1855 it was 2,028,089 tons. In Bavaria, in 1865, the quantity of stone coal and brown coal produced was 435,602 tons; in 1859 the quantity was 260,000 tons. In Belgium the number of coal mines was 287, and the amount of coal obtained in 1865 was 11,840,703 tons, the quantity exported in the year being 3,568,406 tons. In Brazil there were no extensive workings of coal. Some of the coal-beds, however, were of great depth, and presented great facilities for working by open quarrying. In France in 1864 the production was 11,061,948 English tons; in 1865 it was 11,297,052 tons. In the year the import of coal amounted to 7,108,286 tons, of which 1,455,206 tons were drawn from Great Britain; the exports in 1865 were 335,126 tons. Prussia is rich in mineral fuel; the total amount of stone coal and brown coal produced on an average in this country in 1864 was 21,-465,600 English tons; in 1860 it was 13,543,000 tons. The coal-pits of the river Ruhr extend over ten miles in length, a Prussian mile being equal to 24,000 Prussian feet, nearly 4 2-3 English miles. The western parts of Prussia are so richly furnished with mineral fuels, particularly with coals, that they do not depend for their supply on foreign countries, but rather give up a great part of their coal produce to the latter. In Russia no coal is exported, although the beds of the Donetz are rich in coal and other minerals; the amount of coal produced in this place was 128,571 tons; but this is a very insignificant quantity compared with the enormous mass of coal which the Donetz is capable of furnishing. In 1842 there were only 225 beds in a working condition, whereas now there are about 700, and each year the spring rains bring to light others. Coal fields also exist on the western flank of the Ural mountains. Five hundred and fifty-four thousand eight hundred and fifty-eight English tons were imported into Russia in 1865. No coal is exported from Spain, and the quality raised in the country is chiefly used for making coke and artificial fuel. Oviedo furnishes more than any other province, in 1863 it furnished 307,396 tons, the total produce being being only 401,297 tons. Spain may be said to be dependent on England for her coal, notwithstanding the internal resources of the country. The effect of the differential duties has been to enhance the price of of coal, while in their protective capacity they have in nowise assisted native production. In the United States the amount produced in 1865 was 17,417,617 tons. Out of this quantity Pennsylvania alone produced 13,000,000 tons. It is estimated that the Illinois coal-fields contains 1,277,500,000,000 tons, and that it would take 100,000 years to exhaust them; yet the United States, with their enormous productive resources, raise now but the paltry amount of about 20,-000,000 tons. In New South Wales the supply of coal is very great. The quantity exported from the port of Newcastle exceeded 12,000 tons a week. In the United Kingdom in 1863 88,292,515 tons of coal were raised, and in 1865 the quantity had increased to 98,150,587 tons.

COTTON AND SILK FRAUDS IN CHINA.

The Chinese, says a Shanghai exchange, have discovered a very admirable and simple method of making money. Everything being sold by weight, and water possessing a definite specific gravity, they have found it a desirable plan to add that element to produce of all descriptions; as, on account of its comparative cheapness, it shows a handsome profit if sold at the market price of any article whatever. As many of our readers know to their cost, picul upon picul of water has been sold as cotton, as sugar, as hemp, as seaweed, and indeed in the form of almost every article of produce in the country. It is chiefly, however, in the shape of cotton that the greatest trade in water has hitherto been carried on. Though people grumble a good deal, they went on buying their 93 catties of cotton and seven catties of water at market rates pretty freely; but in the course of time they got more cautious, as sundry cargoes instead of arriving the spotless white substance they were shipped, turned out the equally useful but less customary color of black. The plea always set up by the Chinese dealers was, that it was utterly impossible to obtain dry cotton, because the countrymen who sold it in small quantities, commenced the process of wetting it almost as soon as it was picked. This statement, we have good reason to believe, was true up to a certain point; that is, the countrymen did wet cotton to an extent; but while dilating this circumstance, the honest dealers forgot to mention that they themselves added a reasonable amount of water on their own account. The cessation of demand for this staple among foreigners has made it difficult to ascertain whether it be possible to obtain from the Chinese positively dry cotton; but, anyhow, an improvement was effected when the foreign merchant discovered that in buying wet stuff he was not only submitting to a fraud, but ran the risk of having his whole cargo so much damaged as to become almost unsaleable. The Chinese were considerate enough to reduce the wetting down to a safe shipping point: that is, to some four or five catties in a picul; thus clearly proving that it was not the countrymen alone who were responsible for the previous more serious adulteration. We believe we may state with safety that scarcely any cotton has been shipped from this port not containing from four to five per cent. of water. That is, in other words, a merchant nominally buying 1,000 piculs of cotton, in reality purchased 950 piculs of the staple and 50 of water; and his invoice if strictly made out, at say 20 tls. per picul. should have run—"Cotton, raw Shanghai, 950 piculs, at 20 tls., 19,000 tls; water, Shanghai unfiltered, 50 piculs, at 20 tls. 1,000 tls." But as this was generally considered an unnecessary amount of commercial purism, and might have been looked upon as pedantic, the cotton and the water were lumped together and the difference appeared in the account sales, either in lowness of price or loss in weight. Last season, however, complaints were made that this ingenious principle in Chinese trading was applied to raw silk; and, although it was not considered very much out of the way to buy water in bales of cotton at 20 tls. per picul, people began to think the article a little dear when it was offered them in bales of silk at a cost of over 400 tls. The silk inspectors addressed a letter to the Chamber of Commerce, complaining of the Chinamen having sold them water at so high a figure, but the chamber did not perceive that the silkmen had been absolutely called upon to take it. Grave fears were, however, expressed that the attempt to wet silk might be renewed this season; and as the possibility of such an occurrence taking place is a serious consideration, it is certainaly desirable that merchants should, at the outset, be on their guard and not allow the commencement of a similar system with regard to silk as that which proved so fruitful a source of loss, and of disputes with reference to cotton.

COMMERCIAL CHRONICLE AND REVIEW.

Public Debt for March—Business this month—Rate of Interest—Course of Gold, Exchange, &c.—Five-twenties, &c., at London—Price of United States Bonds for March, &c.

The statement of the public debt for March, which we publish this month, is the most favorable in all respects that we have been able for a long time to lay before our readers. In consequence of the falling off in the internal revenue there is but little diminution of the net aggregate, which is 2,523 millions, against 2,530 millions a month ago. The decrease of seven millions has been made by the sale of between five and six millions of gold. This small diminution of the total of the debt is regarded as a point of less importance by the public than it was some time ago. Experience has shown us that until our internal taxation is better adjusted, and more skilfully distributed, a needless oppression of the productive power of the country would be induced by the attempt to pay off from this source any considerable amount of the public obligations. The voice of the country is for reducing taxation to such limits as will pay the expenses of the Treasury and meet the interest on the Government bonds. When by careful adjustment we find out at what points the pressure of taxation may rest with the least injury to the country, increase the pressure and tighten the fiscal screw as the gradual recuperation and growing strength of the tax-paying power of the country may justify. In this point of view, then, Mr. McCulloch has met the wishes of the people.

But although so small a reduction of the debt has been made, the changes effected have all been in the right direction. In the first place, the currency balance in the Treasury has fallen to a lower point than for many months past. No less than eighteen millions of this idle money have been used to pay off interest-bearing securities of short dates. In making this reduction Mr. McCulloch has been obliged to draw down the balances in the National Banks to an unusually low point. A stringency of limited extent and brief duration has resulted from this withdrawal of balances. For the banks, although they pay no interest on the Government balances, are tempted to lend them to their dealers in order to gain interest. At this time of the year there is always a great pressure on the financial machinery of the country in consequence of April payments in the agricultural districts, and this pressure cannot fail to be increased by the sudden taking away of heavy Government deposits. The trouble and embarrassment hence resulting would not, however, have been so serious had not the preparations the banks found to be necessary for their quarterly statements, been making just at the same critical time. From the mischievous, and, to some extent, unexpected results which have come from this untoward combination of forces acting together on the money market, at a time when it was from other causes in a state of extreme sensitiveness, we may derive new confirmation of the often proved remark that the Government deposits are an injury to business, and a snare to the banks. Now, that these mischievous deposits are removed, we trust they

will not be allowed again to accumulate in so inordinate a degree as has been but too frequent in the past.

Then, again, Mr. McCulloch has acted in the difficult duty of contraction with all the caution that could be desired. Under the act of April 12 he is bound to withdraw greenbacks if in his opinion it can safely be done. But the monthly maximum is not to exceed 4 millions. Under existing circumstances he has very properly refrained from contracting more than about one-fifth of this amount or $818,378, which represents, we presume, the mutilated notes which have ceased to be fit to pass current and have come in for redemption. For the same cause the fractional currency has declined $297,228, so that the volume of the currency has been contracted by a little more than one million of dollars. Probably the most suggestive and gratifying feature of the report, however, is found in the short date obligations which have caused so much apprehension. Of these no less than 54½ millions have been paid off, 50 millions being the amount of the Seven-thirties alone. If we mistake not the aggregate of the Seven-thirty notes has never before suffered so large a reduction in any one month. It is now reduced to 582 millions; of which less probably than 100 millions fall due in August next. The embarrassment which the Treasury has looked for from these notes is now, therefore, at an end, and the rapid acceleration of the rate of conversion fully confirms the opinion we have ventured to express that if vigorous efforts are made by the department and its agents the Seven-thirties, the compound notes, and all other short obligations outstanding can be so far funded before the time of maturity that no trouble need be apprehended from this cause. If Congress will resolutely refuse to add to the existing debt, and will turn a deaf ear to all the schemes which are concocted for that purpose, the existing debt, whether floating or semi-funded, will easily be provided for.

As to the gold-bearing bonds, there is little to be said. The Five-twenties have been increased $34,723,000. From the defective way in which the statement is made out we are unable to say what proportions of these Five-twenty bonds belong to each of the four issues. The impression prevails very extensively, however, that there has recently been an emission of several millions of bonds of 1864, the aggregate of which was one hundred millions originally. No notice has been given to the public of any such issue, the understanding being that no Five-twenties of any sort are now being put out, except the fourth series, the interest of which is payable in January and July. It is very important to holders of securities, whether of the government or of private corporations, that no secret issues should be made, but that all new emissions of bonds should be made with as much publicity as possible. The propriety of this rule is seen at once, if we remember that the quantity of any species of bonds, pressing on the market at a given time, forms an important element in regulating the market price. Hence a secret issue of any securities is regarded as an injury to the holders of such securities. By parity of reasoning the buying up of any such securities should be public. Accordingly, the British government, when purchases are made of consols, on account of the Sinking Fund announces the fact, and the amount of the purchase is on the same day made known at the Stock Exchange, and in the money articles of the London journals. This principle of publicity is of greater importance than has been supposed; and now that there

is an end of all the reasons for it, which originated in the exigencies of the war, this principle should be adopted in all the negotiations of the Treasury.

The course of business during March has shown some symptoms of improvement. While trade cannot be said to have been healthy, it has yet perhaps realized, in respect to activity, all that was anticipated at the opening of the year. In most branches of merchandise the supply of goods appears to have been in excess of the demand; and hence, as a rule, holders have found it necessary to concede a steady reduction of prices, and both manufacturers and importers have found the result of their operations far from satisfactory. The manufacturers of cotton and woolen goods have not produced to the full extent of their capacity; but the limitation of the supply of fabrics appears to have had no other effect than to partially arrest the downward course of prices. The importation of dry goods from January 1st to the close of March aggregates $30,223,631; which though $15,150,000 less than for the same period of last year, is yet $19,770,000 more than during the first quarter of 1865; and in the present depressed condition of the trade of the country, must be considered an excessive supply. This large supply of foreign fabrics, selling in many cases much below cost, has of course produced an active competition with domestic goods, and fostered the prevailing depression in the home market. The backwardness of collections in the West, and the unsatisfactory accounts of business given by buyers from the interior generally, indicate that the burthens of taxation and the inflation of prices and of rents are at last seriously limiting the ability of consumers to purchase, and clearly show that, unless the case be met by carefully adjusting the supply to the demand, both manufacturers and importers must suffer heavy losses upon their operations.

Monetary affairs have been generally dull throughout the month. The loan market has been, upon the whole, quiet; though the rate of interest on demand loans has not ranged below 6 per cent. on stock collaterals. An unusually large amount of stocks are at present held by brokers, who have to depend upon the banks for carrying them; and this fact, rather than any activity in loans, has steadily sustained the rate of interest. Toward the close of the month, the preparations of the National Banks for their quarterly statement, required to be made up on the first Monday of April, caused a general disturbance of deposits and of loans, and produced during the last few days, a firm 7 per cent. market. Although it is for many reasons important that the banks should make frequent exhibits of their condition, yet the existing plan of making a return on a day foreknown to the banks, is really of little value as a means of ascertaining their condition, while it is productive, every three months, of much inconvenience to business. The banks temporarily shape their accounts for the occasion, and instantly relapse into a condition which they had deemed unfit for a public exhibit. In the discount market there has been a decided recovery of confidence. Really prime paper has been in active demand at 6½@7½ per cent., both from the banks and private investors, but lower grades have accumulated in the hands of dealers, and have been negotiated at high rates.

The following are the rates of loans and discounts during the month of March:

RATES OF LOANS AND DISCOUNTS.

	March 2.	March 9.	March 16.	March 23.	March 30.
Call loans	5 @ 6	5 @ 6	5 @ 6	6 @ 7	6 @ 7
Loans on Bonds and Mortgage	6 @ 7	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos	6½@ 7½	6½@ 7	6½@ 7½	7 @ 7½	7 @ 7½
Good endorsed bills, 3 & 4 mos	7 @ 7½	7 @ 7½	7 @ 7½	7½@ 8	7½@ 8
" " single names	7½@ 9	7½@ 9	7½@ 9	7½@ 9	7½@ 9
Lower grades	8 @10	8 @10	8 @10	8 @10	8 @10

The course of stock operations has not varied materially from what is usual at this season of the year. Operations have been principally on brokers' own account, and the prevailing temper of the market has favored lower prices. During the latter half of the month, the anticipation of the usual Spring campaign caused some of those who had been operating for a decline to become buyers of stocks, and gave a firmer tone to the market. The total transactions in stocks at both boards, for the month, amount to 1,825,802 shares, against 1,968,839 for the same period of last year. The volume of shares sold at the boards in January, February and March, and the total since Jan. 1, is shown in the following statement:

	January.	February.	March.	Since Jan. 1.
Bank shares	2,461	1,929	3,425	7,815
Railroad "	2,200,510	1,282,251	1,597,017	5,079,778
Coal "	24,286	10,369	33,145	67,800
Mining "	65,375	29,980	28,502	123,857
Improv'nt "	20,344	18,950	41,975	81,269
Telegraph "	49,501	33,857	34,615	117,973
Steamship "	56,504	91,618	80,561	228,683
Other "	4,703	6,409	6,562	17,674
At Regular Board	765,359	634,121	672,926	2,072,406
At Open Board	1,658,325	841,242	1,152,876	3,652,443
Total 1867	2,423,684	1,475,363	1,825,802	5,724,849
Total 1866	2,459,817	1,743,431	1,968,839	6,136,087

United States securities have been upon the whole inactive, and have reacted from the high prices reached at the close of February. While there has been no foreign demand, and the price of gold has declined about six points, there appears to have been a steady flow of bonds out of the hand of traders, compelled probably by the pressure of the times; and these circumstances appear to have chiefly contributed to the fall, ranging from ¼ to 1½ on the several classes of bonds; the only exception being in the case of the new Sixty-fives. The amount of Government bonds and notes, State and city bonds and company bonds, sold at the Regular Board, in the last three months, compare as follows:

	January.	February.	March.	Since Jan. 1.
United States Bonds	$6,863,300	$6,150,300	$5,689,050	$18,702,650
United States Notes	1,988,200	1,764,850	1,039,430	4,792,480
State and City Bonds	2,524,800	2,422,800	3,936,500	8,884,100
Company Bonds	732,500	752,200	731,500	2,216,200
Total, 1867	$12,108,800	$11,090,150	$11,396,480	$34,595,430
" 1866	12,155,700	9,822,000	10,622,840	32,600,540

The following are the closing quotations at the regular board to-day, compared with those of the six preceding weeks:

	Feb. 21.	Feb. 28.	Mar. 1.	Mar. 8.	Mar. 15.	Mar. 22.	Mar. 29
Cumberland Coal	....	30⅛	30⅛	30¼	35⅛	33⅛	....
Quicksilver	39	....	56⅛	36⅛	....	36	34
Canton Co.	46	45	122¼	45½	47¼	46¼	46⅛
Mariposa pref	23¾	22¼	22¾	21¾	23⅛	....	....
New York Central	101⅜	102¾	55¼	102½	103¼	105⅞	105⅞
Erie	56¼	55¼	....	54⅜	59⅞	58⅛	58⅛
Hudson River	134¼	137	137	139	....	138⅛	....
Reading	104⅛	102⅞	102⅞	102	102¼	101⅝	101⅞
Michigan Southern	72⅝	72⅜	72½	71¾	74⅜	75⅛	7 ⅛
Michigan Central	107½	....	....	....	....	108¼	108
Cleveland and Pittsburg	79¾	81	81	80¾	82¾	78½	79½
Cleveland and Toledo	....	118¾	118¾	117⅝	119	118¾	121⅛
Northwestern	36	35⅝	35⅝	34⅝	35¾	35¾	35¾
" preferred	65½	65	65	62½	63¾	63⅝	64⅝
Rock Island	97	95⅝	95⅝	94⅞	96	97¼	97⅝
Fort Wayne	96⅝	94¼	97¼	94⅞	96¼	96¼	96¾
Illinois Central	116	115⅜	115⅜	114⅞	115⅜	116	....

The daily closing prices of the principal government securities are shown in the following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK, MARCH, 1867.

Day of month.		6's, 1881. Coup.	6's, 1881. Reg.	6's, (5-20 yrs.) 1862.	Coupon 1864.	Coupon 1865.	5's, 10-40 yrs. new.	5's, 10-40 yrs. Coup.	7-3(1867.
Friday	1	.....	110¾	111	.....	108¾	106¾	98	105⅞
Saturday	2	110⅛	... .	110⅞	.....	.....	106¾	.....	.....
Sunday	3	.....	....	.....	.....	.....	.....	.....	.....
Monday	4	.....	.....	110¾	108	108⅛	106⅞	98	105⅞
Tuesday	5	.....	110	110⅛	.....	108⅛	106⅜	.....	105⅞
Wednesday	6	109¾	110	109¾	107⅛	107⅞	106¾	97¾	.....
Thursday	7	109	.....	109⅜	.....	... .	106⅛	.....	105¾
Friday	8	... .	....	109¾	.....	107⅝	106⅝	98	105¾
Saturday	9	109⅛	.....	109	107⅜	107⅝	106⅝	97¾	105¾
Sunday	10	.....	.....	.....	.....	.....	....	.....	.....
Monday	11	.....	.....	.....	107⅞	.....	.....	97⅝	105⅝
Tuesday	12	.....	109¼	109¼	107⅜	.....	106¾	97⅝	105¾
Wednesday	13	109⅛	.....	.....	107⅛	107¾	106¾	97¾	105⅝
Thursday	14	109⅛	....	109⅜	107⅜	107¾	106¾	....	105⅝
Friday	15	109¼	109¼	.....	107⅜	.....	106¾	97⅝	105⅝
Saturday	16	.....	109¼	109⅛	107¼	107⅜	106⅞	.....	105⅝
Sunday	17	.....	.....	.....	.....	.....	.....	.....	.....
Monday	18	109⅛	.....	109⅝	107⅝	.....	107⅞	97⅞	106
Tuesday	19	109	.....	.....	107⅛	108	107⅛	.....	106
Wednesday	20	.....	.....	109⅛	.. ..	.....	107⅛	....	106
Thursday	21	109⅛	109⅛	109¼	107⅝	107⅞	107⅛	97¾	106
Friday	22	.....	.....	109⅜	107⅜	108	107⅛	97¾	106
Saturday	23	.....	109	109⅛	107⅝	107⅞	107	97¾	106
Sunday	24	.....	....	....	....	.....	....	....	.....
Monday	25	.....	108⅝	109	107⅝	.....	107⅛	97⅛	106
Tuesday	26	108⅝	108⅛	108⅞	107⅛	107⅜	107	97⅛	105⅞
Wednesday	27	.....	.. ..	109⅛	107⅜	107⅞	107⅛	97⅜	106
Thursday	28	.....	108⅞	.....	107⅝	108	107¼	.....	.....
Friday	29	109⅛	.....	109¾	107⅜	108⅛	107⅜	98	106
Saturday	30	109¼	109¼	109⅛	107⅜	108⅛	107¼	98	106
Sunday	31	.....	.....	.....	.....	.....	.....	.....	.....
First		110⅛	110¾	111	108	108¾	106¾	98	105⅞
Lowest		108⅝	108⅛	108⅞	107¼	107¾	106⅛	97⅛	105⅝
Highest		110⅛	110¾	111	108	108¾	107¼	98	106
Latest		109¼	109¼	109⅛	107¾	108⅛	107¼	98	106

The quotations for three-years compound interest notes on each Thursday of the month have been as shown in the following statement:

PRICES OF COMPOUND INTEREST NOTES AT NEW YORK, MARCH, 1867.

Issue of	March 7.	March 14.	March 21.	March 28.
June, 1864	117⅛@117¾	117⅝@117⅞	117¾@118	118 @118¼
July, 1864	117 @117¼	117⅛@117⅜	117⅜@117½	117⅝@117¾
August, 1864	116½@116¾	116⅝@116⅞	116¾@117	117 @117¼
October, 1864	115½@115¾	115⅝@115⅞	115⅞@116	116 @116¼
December, 1864	114½@114¾	114⅝@114⅞	114⅜@115	115 @115¼
May, 1865	112⅛@112⅜	112¼@112½	112⅜@112⅝	112½@112¾
August, 1865	111¼@111½	111¼@111½	111⅛@111⅝	111⅜@111¾
September, 1865	110¾@111	110¾@111	110¾@111	111 @111¼
October, 1865	110½@110¾	110½@110¾	110½@110¾	110¾@111

The first series of figures represents the buying and the last the selling prices at first class brokers' offices.

The course of United States' bonds in Europe has been steadily upward. Although large amounts were sent thither in January and February, and have since been in course of distribution, yet Five-twenties rose at London from 73⅜, at the opening of the month, to 75¼ at the close. Illinois Central and Erie shares have respectively advanced at London 3¼ per cent., following the fall in the premium on gold.

The closing quotations for Consols and certain American Securities (specified) at London, as received by the Atlantic cable, are given in the following tabulation :

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—MARCH, 1867.

Date.	Cons for mon.	Am. securities. U. S. 5-20s	Ill.C. sh's.	Erie shs.	Date.	Cons for mon.	Am. securities U.S. 5-20s	Ill.C. sh's.	Erie sh's.
Friday 1	91	73¾	76¼	36¼	Tuesday.....19	91	74⅛	78	39⅜
Saturday 2	91	73⅝	76	37	Wednesday 20	91	74⅛	78½	40⅛
Sunday..... 3	....	....	....	....	Thursday 21	91¼	74⅛	78¾	39¾
Monday..... 4	91	73¾	76¾	36⅛	Friday 22	91	74⅛	78½	39
Tuesday..... 5	91	73⅞	77	36⅛	Saturday 23	91	74½	78½	39
Wednesday..... 6	90⅞	74	77¼	35¾	Sunday 24	....	....	....	....
Thursday 7	90¾	73¾	77⅛	36	Monday.....25	91	74⅛	78½	39
Friday 8	90¾	73⅞	77⅛	36	Tuesday.....26	91	74⅛	78½	38⅜
Saturday..... 9	90¾	74⅛	77⅛	36⅛	Wednesday 27	91⅛	74¾	77¾	38⅜
Sunday.....10	....	....	....	....	Thursday 28	91⅛	75	78¾	38¾
Monday.....11	90¾	74¼	78	38¾	Friday.....29	91	75	78¾	39
Tuesday 12	90¾	74¼	77¾	40	Saturday.....30	91⅛	75¼	79½	39⅛
Wednesday 13	90¼	74⅜	77¾	39¾	Sunday 31	....	....	....	....
Thursday.....14	90¼	74¾	77¾	39½					
Friday 15	91	74⅞	77¾	39½	Highest.....	91⅛	75¼	78¾	40⅛
Saturday.....16	91	74⅞	78	40	Lowest.....	90¼	73⅜	76	35⅜
Sunday.....17	....	....	....	....	Range.....	⅝	1¾	4¾	3¾
Monday.....18	91	74⅛	78¼	39¾					

The imports and exports of coin and bullion at the port of New York for each of the last three months and since January 1, have been as shown in the following statement.

MOVEMENT OF COIN AND BULLION IN MARCH AND SINCE JANUARY 1.

	January.	February.	March.	Since Jan. 1.
Receipts from California.....	$2,472,895	$1,740,109	$1,896,857	$6,109,861
Imports from foreign ports.....	126,719	136,491	145,867	409,077
Total receipts.....	$2,599,614	$1,876,600	$2,042,724	$6,518,938
Exports to foreign ports.....	2,551,356	2,124,461	1,891,141	6,566,958
Excess of imports over exports.....	$48,258	.....	$151,583	.....
Excess of exports over imports.....	.....	$247,861	.....	$48,020

The following shows the amount of receipts and exports in March and since January 1, for the last seven years :

	Receipts from Cal.		Imp. from for'n p'ts		Exp's to for. ports	
	Mar.	Since Jan. 1.	Mar.	Since Jan. 1.	Mar.	Since Jan. 1.
1867	$1,896,857	$6,109,861	$145,867	$409,077	$1,891,141	$6,566,958
1866	3,958,291	9,047,105	285,854	530,747	1,045,039	5,558,405
1865	1,668,975	4,627,167	243,242	402,214	331,913	4,589,967
1864	1,121,338	3,301,608	104,437	334,377	1,800,559	10,275, 05
1863	1,697,176	4,986,681	123,616	439,493	6,585,442	15,175,680
1862	1,846,752	6,297,080	88,327	313,992	2,471,233	8,906,426
1861	2,370,391	10,178,895	5,546,406	15,082,702	301,802	1,463,622

The lowest and highest quotations for United States 6's (5-20 years) of 1862, at Paris and Frankfort, in the weeks ending Thursday, have been as follows :

	Mar. 7.	Mar. 14.	Mar. 21.	Mar. 28.
Paris.....	82½@82⅞	83 @84	84 @84½	84⅜@84½
Frankfort.....	76⅝@77⅜	77¼@77¾	77¼@77¾	77⅜@78

The course of the gold premium has been steadily downward, the price having fallen over six points within the month. This change is the more remarkable considering that there has been a reduction of more than three millions in the supply of specie in the banks. The anticipation of the large disbursement upon May coupons appears to have been the chief cause of the downward tendency. The receipts from California amount to $1,896,857, and the foreign exports to $1,837,824. Since Jan. 1st, the California supply and the foreign imports have been balanced by the shipments to foreign ports within about $2,000. It will be seen from a statement below that the amount of gold derived from unreported sources, has again been about three times the amount derived from California :

	January.	February.	March.	Since Jan. 1.
Specie in banks at or near commencement	$13,185,222	$16,332,984	$11,579,381	$13,185,222
Receipts of treasure from California	2,472,895	1,740,109	1,896,857	6,109,861
Imports of coin and bullion	126,719	136,491	145,867	409,077
Coin paid by U. S. Treasury for interest	7,485,945	521,832	2,830,526	10,838,303
Total reported supply	$23,270,781	$18,731,416	$16,452,631	$30,542,463
From which deduct amounts withdrawn from market, viz. :				
Export of coin and bullion	$2,551,356	$2,124,461	$1,891,141	$6,566,958
Paid into U. S. Treasury for customs	9,520,385	11,452,204	12,198,039	33,170,628
Total withd'n from market	$12,071,741	$13,576,665	$14,089,180	$39,737,586
Excess of reported supply over withdrawals	$11,199,040	$5,154,751	$2,362,451	$.....
Excess of withdrawals over reported supply	.....	.....	.....	9,195,123
Specie in banks at or near close	16,332,984	11,579,381	8,522,609	8,522,609
Derived from unrep'ted sources	$5,133,944	$6,424,630	$6,159,158	$17,717,732

The sources of this large extra supply, by which the market has been sustained, are numerous and divergent. From the sales of gold effected by the Treasury probably the larger portion is derived ; but in addition to the receipts from this source, there is a considerable amount brought in hand by persons returning from California, and by immigrants from foreign countries, while at the same time the overland shipments from the mines of Colorado, Montana and Idaho are rapidly increasing, and becoming a very important item in our supply of the precious metals. In the above table it will be seen that from these sources and from private hoards the market has received over 17 millions of gold since the first of January.

The following table gives the fluctuations of gold coin at New York daily for the past month ;

COURSE OF GOLD AT NEW YORK, MARCH, 1867.

Date.	Open'g	Lowest.	High'st.	Closing.	Date.	Open'g	Lowest.	High'st	Closing.
Friday 1	140¼	138⅝	140⅜	139¼	Thursday 21	134⅜	134⅜	134⅞	134¾
Saturday 2	139⅜	138⅛	139⅜	138⅜	Friday 22	134⅞	134¼	134⅞	134¼
Sunday 3	....	....	.....	.....	Saturday 23	134⅛	134⅛	134⅜	134¼
Monday 4	139	138¼	139	138⅜	Sunday 24	.....	.....	.....	.....
Tuesday 5	138¼	136⅞	138¼	136⅞	Monday 25	134¼	133⅞	134⅛	133⅞
Wednesday 6	136⅛	135¼	136⅜	135⅜	Tuesday 26	133⅞	133⅞	134⅛	134⅜
Thursday 7	134¾	133⅜	134¾	134⅛	Wednesday 27	134⅜	134⅛	134⅜	134¼
Friday 8	134⅜	133⅜	134⅝	134⅛	Thursday 28	134¼	134¼	134½	134⅜
Saturday 9	134⅛	134⅛	135	134⅞	Friday 29	134¼	134⅛	134¼	134¼
Sunday 10	.....	.....	.....	.....	Saturday 30	134	134⅞	134⅝	134
Monday 11	135	134⅝	135¼	134⅝	Sunday 31	.....	.....	.....	.....
Tuesday 12	134⅝	133¾	134⅜	133⅞					
Wednesday 13	133⅝	133⅜	134¾	134⅜	March..1867	140¼	133⅝	140⅜	134
Thursday 14	134⅜	134⅜	134¾	134⅝	" 1866	136⅜	124⅞	136½	127⅞
Friday 15	134⅜	134	134⅜	134⅛	" 1865	201	148⅜	201	151⅜
Saturday 16	134⅛	134⅛	134⅝	134¼	" 1864	159⅜	159	169¾	164¼
Sunday 17	.....	.....	.....	.....	" 1863	171⅜	139	171¾	149¾
Monday 18	134⅜	134	134⅝	134⅛	" 1862	102¾	101¾	102⅜	101¾
Tuesday 19	134	133⅝	134⅜	134¼					
Wednesday 20	134¼	134¼	134½	134⅜	S'ce Jan. 1, 1867	132⅞	132⅛	140⅜	134

Foreign Exchange has been more active, and with a diminished supply of bills the tendency of rates has been upward. The range for 60 days bankers' sterling has been from 108@109¼, the latter rate having been reached near the middle of the month, since which the quotations has fluctuated between 108¾ and 109½. The steadiness of the market for the past two or three weeks has been, in a great measure, due to the near exhaustion of the cotton crop, on which the supply of bills has for some time past materially depended. The following are the daily quotations for bills on the principal commercial centres:

COURSE OF FOREIGN EXCHANGE (60 DAYS)—MARCH, 1867.

Days.	London, cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1	108¾@109	517½@516¼	41⅛@41⅜	79 @79¼	36¼@36⅜	72 @72⅛
2	108⅜@108¾	518¾@516¼	41¼@41⅜	78⅞@79⅛	36⅛@36¼	72 @72⅛
3						
4	108¾@108⅜	518¾@516¼	40⅞@41¼	78¾@78¾	36 @36¼	71¾@72
5	108 @108¼	520 @518¾	40⅞@41¼	78¾@78¾	36 @36¼	71¾@72
6	108 @108⅜	525 @518¾	40¾@41⅛	78 @78¾	35¾@36⅛	71⅝@72
7	108⅜@108¾	518¾@517½	41⅛@41¼	78¾@79	36⅛@36¼	72 @72⅛
8	108¾@109	517½@516¼	41¼@41⅜	78¾@79	36¼@36⅜	72 @72⅛
9	108⅜@108¾	520 @517½	41 @41¼	78¾@78¾	35⅞@36¼	71¾@72⅛
10						
11	108⅜@108¾	518¾@517½	41⅛@41⅜	78¾@79	36 @36¼	71⅞@72⅛
12	108⅜@108¾	518¾@517½	41⅛@41⅜	78¾@79	36¼@36¾	72 @72¼
13	108¾@109	520 @516¼	40⅞@41¾	78¾@79	36 @36¼	72 @72¼
14	109 @109¼	516¾@515	41 @41⅜	78⅝@79	36⅛@36⅛	72 @72⅛
15	109 @109¼	516¾@515	41¼@41⅜	78⅝@79	36¼@36⅜	72 @72¼
16	108¾@109⅛	520 @515	40⅞@41¼	78⅝@79	35⅞@36¼	71¾@72
17						
18	108¾@108⅞	517½@516¼	41¼@41⅜	79 @79½	36¼@36¾	72⅛@72¼
19	108⅞@109	517½@515	41 @41⅜	78¾@79	36 @36¾	71¾@72
20	108¾@109	518¾@515	40⅞@41¾	78¾@78⅞	35⅞@36⅜	71¾@72⅛
21	108¾@109	517½@516¼	41¼@41⅜	79 @79½	36¼@36⅜	72⅛@72¼
22	108¾@109	517½@516¼	41¼@41⅜	79 @79½	36¼@36⅜	72⅛ 72¼
23	108¾@108⅞	517½@516¼	41¼@41⅜	79 @79½	36¼@36⅜	72⅛@72¼
24						
25	108⅞@109	517½@516¼	41¼@41⅜	79 @79½	36¼@36¾	72⅛@72¼
26	108⅞@109⅛	517½@516¼	41¾@41½	78¾@79	36¼@36¾	72 @72⅛
27	108¾@109⅛	518¾@516¼	40⅞@41¾	78¾@79	36 @36¼	71¾@72
28	108⅞@109¼	518¾@516¼	40⅞@41¼	79 @79½	36⅛@36⅜	72 @72⅛
29	109 @109¼	518¾@516¼	41¼@41½	79 @79½	36¼@36⅜	72 @72⅛
30	109 @109⅛	518¾@516¼	41⅛@41⅜	79 @79½	36⅛@36¾	72 @72⅛
31						
Mar.	108 @109¼	525 @515	40¾@41½	78 @79½	35¾@36¾	71½@72⅛
Feb.	108¾@109	522½@515	40¾@41½	78¾@79¼	36 @36½	71½@72⅜
Jan.	108¾@109½	520 @513¾	41⅛@41½	78¾@79¼	36⅛@36¾	72 @72¼
Jan. & Mar.	108¾@109½	525 @513¾	40 @41½	78 @79½	35¾@36¾	71½@72¼

JOURNAL OF BANKING, CURRENCY, AND FINANCE

Quarterly Report of the National Banks.—Return of the New York, Philadelphia and Boston Banks.

The quarterly reports of the National Banks made up to April 1, are now being rapidly published, by Mr. Hurlburd the comptroller, under the new form which was issued by him the past month. We are greatly pleased that he should have given them to the public at so early a date, as they lose much of their value if long delayed. The difficulties incident to the gathering of com.

plicated official statistics from numerous and distant sources are well known, and therefore the rapidity with which they have on this occasion been analyzed and a summary prepared and published is the more notable. Below we give the returns for New York, Boston and Philadelphia.

RESOURCES.

	New York		April 1	
	Jan. 1.	April 1.	Philadelphia.	Boston.
Loans & discounts	$157,967,294 27	$152,863,769 78	$32,215,000 01	$56,811,075 24
Real estate, furniture & fixtures..	5,636,886 76	5,719,027 50	1,185,073 57	1,420,072 61
Expense account	431,050 92	1,674,995 66	435,596 12	31,165 78
Premiums paid	637,324 78	941,100 96	395,847 33	55,145 35
Cash items (including rev. stamps).	78,758,030 91	69,414,064 77	1,032,735 19	4,516,321 66
Due from N'l B'ks	9,583,978 64	7,947,324 06	4,805,130 79	8,458,871 83
" other banks	4,136,978 64	2,689,883 83	460,494 75	248,084 03
U. S. bonds to secure circulation.	42,487,800 00	42,467,800 00	13,718,000 00	29,044,350 00
U. S. Bonds to secure deposits...	5,170,300 00	4,800,900 00	2,047,600 00	1,925,000 00
U. S. Bonds & securities on hands	15,781,250 00	15,123,950 00	3,288,580 00	3,947,550 00
Other stocks, bonds and mortages..	4,534,610 36	6,260,158 78	1,057,420 24	1,084,150 00
Bills of Nat'l B'ks	2,228,868 00	1,439,115 00	422,935 00	1,355,611 00
Bills of other banks	69,488 00	69,699 00	30,364 00	635,244 00
Specie	10,547,117 30	5,718,722 60	792,037 48	454,986 52
Compound Interest notes	22,785,940 00	25,939,480 00	8,348,470 00	11,531,180 00
Other lawful money	41,402,117 59	34,700,372 21	8,410,253 34	6,085,087 49
Aggregate	$402,149,036 42	$377,790,364 23	$78,045,537 82	$127,604,785 51

LIABILITIES.

Cap. stock paid in	$75,009,700 00	$75,009,700 00	$16,017,150 00	$43,550,000 00
Surplus fund	17,573,506 57	17,301,440 86	5,175,784 01	6,849,511 10
National b'k notes outstanding	34,257,816 00	34,972,371 00	11,006,790 00	25,309,509 00
State b'k n. outs'g	406,037 00	379,353 00	135,085 00	311,258 00
Individual dep'sits	201,962,194 16	175,493,039 91	35,516,987 95	39,011,725 13
U. States deposits	2,819,414 34	2,789,205 55	1,887,404 12	1,465,594 19
Deposits of U. S. Disb'g Officers..	4,884 47	996 70	.....	.....
Due to Nat. banks	52, 66,889 22	51,841,582 80	5,622,989 44	10,108,134 06
Due to other banks and bankers ..	13,278,398 39	12,508,466 93	974,533 83	1,050,696 80
Profits	4,870,196 27	7,494,207 48	1,708,813 47	948,356 23
Aggregate	$402,149,036 42	$377,790,364 23	$78,045,537 82	$127,604,785 51

The money market the last of the month has been much disturbed by the preparations of the National Banks for their quarterly return. From the New York city bank statement it appears that at the close of the month the deposits had been drawn down since the week ending March 9, nearly twelve millions and that the loans have been reduced during the same period nearly eight millions. This large reduction in deposits is due chiefly to the country banks having withdrawn their balances temporarily in order to make a favorable exhibit.

Below we give the weekly bank returns of the three cities.

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
January 5. ...	$257,852,460	12,794,892	32,762,779	202,533,564	65,026,121	486,987,787
January 12.....	258,935,488	14,613,477	32,825,103	202,517,608	63,246,370	605,132,006
January 19.....	255,032,223	15,365,207	32,854,928	201,500,115	63,235,386	520,040,028
January 26	251,674,804	16,014,007	32,957,198	197,952 076	63,426,559	568,822,804
February 2... .	251,264,355	16,332,98.	32,995,347	200,511,596	65,944,541	512,407,253
February 9.....	250,268,825	16,157,257	32,777,' 00	198,241,835	67,628,992	508,825,532
Febru'ry16.....	253,131,328	14,79',626	32,956,309	196,072,292	64,642,940	455,833,829
Febru'ry23.....	257,823,994	13,513,456	33,006,141	198,420,347	63,153,895	443,574,086
March 2.....	26 ,166,436	11,579,381	33,294,433	198,018,914	63,014 195	465,534,5 9
March 9 ...	262,1 1,458	10,868,182	33,409,811	200,2-3,527	64,523,440	544,173,256
March 16.....	263 0 2,972	9,968,722	33,490,683	197,958,804	62,813 029	496,558, 19
March 23... .	259,400,315	9,143,913	33,519,401	19 ,375,615	60,904,958	472,502,378
March 30 ...	255,.82,364	8,522,6 9	33,669,195	188,480,250	62,459,811	459,850,602

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 5	$20,209 064	52,312,317	903,663	10,388,820	41,308,327
January 12	20,006,255	52,528,491	903.320	10,380,577	41,023,421
January 19	19,448,099	53,458.307	877,548	10,381,595	30.048,645
January 26	19,363,374	52,168,473	880,582	10,384,683	39,001,779
February 2	19,269,128	55,55[illegible],130	871,564	10,430,898	39,592,712
February 9	19,659,250	52,384,329	873,614	10,449,982	39,811,595
Febru'ry16	18,892,747	52,573,130	867,110	10,522,972	40,050,717
Febru'ry23	17,837,598	52,394,721	841,223	10,566,434	38,646,013
March 2	18,150,657	51,979,173	816,843	10,5[illegible]1,600	39,367,388
March 9	17,521,705	51,851,463	832,[illegible]55	10,572,068	37,314,672
Earch 16	16,955,6[illegible]3	50,5 8,294	858,022	10,580,911	3[illegible],826,001
March 23	16,071,780	50,572,490	807,4 3	10,611,987	34,5[illegible]1,545
March 30	15,856,948	50,880,306	602,148	10,631,532	34,150,285

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, $41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation—National.	Circulation—State.
January 7	$97,009,342	1,183,451	17,033,387	40,824,618	24,580,367	312,664
January 14	98,461,778	1,334.300	16,829,495	40,246,216	24,997,446	311,749
January 21	95,298,982	1,078,160	16,596,299	38,679,604	24,275,162	301,911
January 28	97,891,329	1,058,329	16,816,481	39,219,241	24,716,597	302,298
February 4	97,742,461	956,569	16,394,604	39,708,053	24,691,075	306,014
Febru'ry11	97,264,162	873,396	1 ,102,479	39,474,359	24,686,663	305,603
Febru'ry18	96,949,473	929,940	15,398,338	38,900,500	24,765,420	305,603
Febru'ry25	95.33 ,900	779,402	15,741,046	37,893,963	24,953,605	303,228
Mar h 4	95,050,727	958,887	15,9[illegible]8,103	38,316,573	24.675,767	301,430
March 11	92,078,975	695,447	15,719,479	36,712,052	24,346,631	[illegible]89,5 8
March 18	93,156,486	568,[illegible]94	16.270,979	36,751,733	24,809,523	299,133
March 25	92,661,060	516,184	16,557,905	36,751,725	24,738,722	299,091

PITTSBURG, FORT WAYNE AND CHICAGO RAILROAD.

The operating accounts of this Company for the years ending December 31, 1865 and 1866, present the following results:

	1865.	1866.	Increase.	Decrease
Passenger Earnings	$3,391,221 46	$2,441,895 70	$.....	$949,325 76
Freight "	4,739,067 88	4,707,582 12	.....	31,485 76
U. S. Mail "	93,930 00	93,900 00	.....	.....
Express "	149,658 02	100,298 43	.....	49,359 59
Clev. & P'b'g RR. lease	85,000 00	85,000 00	.....	.....
Rents	4,861 12	2,869 00	.....	1,992 12
Miscellaneous	25,354 08	35,672 31	10,318 23	.....
Gross earnings	$8,489,062 56	$7,467,217 56	$.....	$1,021,845 00
From which deduct cost of maintenance and operating, viz.:				
Maintenance of way	$1,344,674 25	$1,270,533 01	$.....	$74,141 24
" of cars	531,103 94	552,910 50	21,806 56	.....
" of machin'y	1,520,948 54	1,568,196 04	47,247 50	.....
Transportation	1,220,978 76	1,280,472 24	59,493 48	.....
General expen. and taxes	587,810 00	475,574 55	.....	112,235 45
Cost of operating	$5,205,515 58	$5,147,686 54	$.....	$57,829 04
Balance	$3,283,546 98	$2,319,531 02	$.....	$64,015 96
Add, net income of N. C. and B. V. RR.	34,331 43	55,460 56	21,129 13	.....
Total net earnings	$3,317,878 41	$2,874,991 58	$.....	$442,886 83
From which were paid the following amounts:				
Interest on bonds	$901,485 00	$870,361 93	$.....	$3 ,123 07
Dividend 10 p. c. and tax	9 1,282 50	1,035,315 79	134,033 29	.....
Sinking fund	104,100 00	118,678 67	14,578 67	.....
Clev. & Pittsb'g RR. lease	342,49 93	209,048 06	$.....	133,348 87
	$2,249,361 43	$2,233,404 45	$	$15,959 98
	$1,068,513 98	$641,587 13	$.....	$426,926 85

While the earnings of the road for transporting freight in the years 1865 and 1866, were very nearly equal, the quantity of freight transported, and the conditions of the movement varied materially in these years as will be seen by the following comparison:

	1865.	1866.	Increase.	Decrease.
Tonnage	832,615	1,025,778	193,163	.....
Mileage, per ton	193,789,901	233,274,794	39,484,893	.....
Average haul, per ton	233	227	....	6
Mileage of loaded cars	24,284,877	28,543,369	4,268,492	.....
" of empty cars	8,695,113	8,286,126	.....	408,987
Average load (tons) per car, west	7:111	7:244	0:133	.....
" " " " east	8:502	8:802	0:300	.....
" " " " total	7:980	8:173	0:193	.....

This shows an increase of the freight tonnage of the road of 23.2 per cent. The foreign tonnage fell off 19,564 tons and the local tonnage increased 212,727 to s. This change explains the reason of the shortened average haul per ton in 1866 as compared with the haul in the previous year.

The revenue from the transportation of passengers fell off $949,325 76 from the previous year. Of this diminished income more than one half or $480,000 was on account of military transportation. The large express business of 1865 was exceptional, and caused by the inability of the lines occupied by the Adams Express Company to accommodate the large south-west business during the closing period of the war—the overflow seeking the route *via* Crestline over the road of this company from Pittsburg.

The rolling stock has been increased during 1866 by the construction at the Fort Wayne shops of 150 box cars. The present equipment consists of 189 l comotives, all in good order; 169 passenger, baggage and express cars, and 1,381 freight cars.

The track is in excellent order and fully equal to that of the best western roads. During 1866 twenty-four per cent. of the main track has been relaid with re-rolled iron; and during the last three years three fourths of the main line of 468 miles has been relaid with new, re-rolled or repaired rails, paid for as repairs out of the current earnings. The side tracks have been increased by 6 9 miles, which makes the total sidings now in use 105¼ miles. In addition there are 22 miles of second track from Pittsburg to Rochester, and 7 miles from Chicago to the crossing of the Rock Island Railroad. The construction and equipment has been continued through the year 1866 to a larger exten than was expected The expenditures on these accounts amount to $1,116,975 70, viz: in the Eastern Division $580,926 80, and in the Western Division, $536,048 90. These amounts include a small sum properly chargeable to 1865.

The financial condition of the company as exhibited on the balance sheets of December 31, 1865 and 1866, is shown comparatively in the following statement:

	1865.	1866	Increase.	Decrease.
Capital Stock	$9,312,442 00	$9,940,987 95	$628,545 95	$..... ..
Funded debt	12,573,500 00	12,568,500 00	.....	7,000 00
Due to other companies	184,871 85	40,822 02	.....	144,049 83
Miscellaneous liabilities	448,041 24	364,295 73	... .	83,745 51
Cur'nt exp'ses in Dec. & prior	849,376 12	568,987 14	.....	280,388 98
Due J. F. Lanier, Trustee	115,331 13	88,238 79	. .....	27,092 34
Balance to credit of income	3,062,180 75	3,355,707 98	293,577 23	.....
Total	$26,545,693 09	$26,927,539 61	381,846 52	$... ....

Against which are charged as follows, viz:

Cost of Railway, &c	$23,183,381 33	$24,253,746 81	$1,070,365 48	$
Supplies on hand	969,053 93	631,918 82		337,135 11
Due from other companies	417,948 84	386,954 73		30,994 11
Miscellaneous assets	755,350 14	708,333 63		47,016 51
Sinking Funds	208,200 00	275,910 03	32,284,97	
Cash in hand	1,011,758 85	670,675 59		458,916 74
Total	$26,545,693 09	$26,927,539 61	$381,846 52	$

The shares of this company fluctuated in the New York market in 1866 as is shown in the following exhibit:

Jan	91¼@104⅛	May	92⅛@100⅝	Sept	103 @108¼
Feb	91⅛@ 95⅞	June	95 @100	Oct	106 @111¾
March	88¾@ 93	July	95¼@103	Nov	101⅛@111¾
April	88 @100⅛	August	102¾@106⅛	Dec	104⅛@107⅛

SILVER ON LAKE SUPERIOR.

[*From the Chicago Republican.*]

Elsewhere, native silver occurs only in connection with gold or with the true argentiferous ores; but hitherto not a trace of silver ore has ever been discovered in the copper district of Lake Superior. The silver occurs in small masses, weighing as much as two or three pounds, and forming specimens of great beauty. It has been found in almost all the veins of Keweenaw Point, in the lodes of Portage, particularly the Isle Royal lode, and in the mines of Ontonagon county. Although the two metals occur in the most intimate association, yet they are hardly ever found alloyed with each other. Frequently two masses of silver and copper form one lump in such a way that the junction of their edges is absolutely perfect; yet the two are chemically entirely distinct and unalloyed. Sometimes beautiful specimens of native silver are found in stopping, or in opening the mine, but the greater part is found by picking over the lumps of copper, which are too heavy to be washed from under the stamp heads by the stream of water that is continually pouring into the mortars, or as the miner calls them, "covers," in which the stamp rock is pulverized. The "covers" are cleaned out at intervals, when a number of those lumps, varying in weight from one dwt. to two or three oz. are taken out, and these are picked over by boys who take out the silver. In 1865 the amount of silver found in this way at the Cliff mine sold for $5,270 17 There is no doubt that a considerable portion of the silver is purloined by the miners, besides that which is so fine as to be carried away to the washers, whence it goes to the smelting works, and with the fine copper there, is melted up and becomes alloyed with the copper. The quantity thus escaping is not, however, sufficient to make it worth while to erect furnaces for separating it from the copper, which is undoubtedly improved by the admixture. It is worth while to notice that the native copper and silver of Lake Superior, side by side, yet perfectly distinct from each other, is one of the very strongest objections to the reception of the Plutonic theory, which accounts for the presence of the copper in the veins and trappean beds of Lake Superior by assuming that it has been injected in a molten state from below.

RAILWAYS IN FRANCE FOR 1865 AND 1866.

A return relative to the working of railways in France in 1866, compared with 1865, has just been issued by the Ministry of Public Works, and the following are the principal features in it:—

OLD NETWORK.

Names of Railways.	Length worked Dec. 31, 1866. kilometres.	1865. kilometres.	Receipts. 1866. francs.	1865. francs.
Northern	1,066	1,066	78,457,598	76,201,334
Eastern	977	977	56,542,511	53,364,413
Western	900	900	58,531,275	55,050,018
Orleans	1,762	1,762	81,818,122	75,886,454
Lyons and Mediterranean	2,007	2,007	156,532,082	144,523,018
Southern	797	797	34,828,784	32,571,050
Ceinture (round Paris)	17	17	2,916,508	2,510,881
Graissessac to Beziers	....	51	.....	825,113
Besseges to Alais	32	32	1,804,407	1,849,821
Anzin to Somain	19	19	601,940	589,685
Carmaux to Albi	....	15	.....	191,175
La Croix-R. to Sathonay	7	7	150,602	144,560
Total	7,584	7,650	472,183,829	443,707,522

NEW NETWORK.

Northern	165	131	4,212,488	2,814,083
Eastern	1,582	1,539	41,841,633	38,401,238
Western	1,113	957	6,335,500	13,333,085
Orleans	1,523	1,305	21,603,384	18,418,572
Lyons and Mediterranean	1,490	1,207	37,398,989	35,963,291
Southern	819	633	7,937,030	5,667,880
Victor Emmanuel	106	116	1,835,148	1,820,547
Total	6,798	5,888	131,164,172	116,418,696

RECAPITULATION.

Old network	7,584	7,650	472,183,829	443,707,522
New network	6,798	5,888	131,164,172	116,418,696
Total	14,362	13,538	603,348,001	560,126,218

It will be seen that the old network in 1866 was less by 66 kilometres than in 1865. This was owing to the Graissessac and Carmaux lines having been transferred to the new network of the Southern Company. The term "old network" means the old lines; "new network," the prolongations and embranchments there of on which the Government guarantees interest. The 14,382 kilometres worked on Dec. 31, 1866, were in English measure 8,988 miles, and the 13,538 of 1865, 8,461 miles. The receipts of 1866 were £24,133,920, and of 1865, £22,405,048.

Taking the average receipts per kilometre, of the old network, it appears that those of the Northern Railway were 1.80 per cent more than in 1865; of the Eastern, 5.96 more; Western, 6.32 : Orleans, 7.82; Lyons-Mediterranean, 8.31; Southern, 6.93; Ceinture, 16.15. The other lines were of no importance. In the new network, in which, it must be remembered, the average length worked during the year was not the length worked at the end of the year, the Northern railways produced 2.52 more; the Eastern 6.50; the Western, 8.58; the Orleans, 1.70; the Victor Emanuel 5.35; but in the Lyons-Mediterranean, there was a decline of 6.33 and in the Southern of 0.55. Taking the old lines altogether, the receipts of 1866 were 7.18 per cent. per kilometre more than in 1865, and the new network 0.50 less.

COMMERCE OF BOSTON.

We take from the Boston *Daily Advertiser* the following statement, compiled from an official source, of the value of imports and exports at the port of Boston for 1866, as compared with the two previous years.

IMPORTS.

The total value of imports for three years has been as follows :

	1865.	1865.	1864.		1865.	1865.	1864.
Jan	$2,228,863	$1,192,653	$1,711,773	August	4,551,710	3,192,982	3,188,941
Feb	4,059,759	1,412,471	1,867,001	Septem	4,644,844	3,557,911	2,468,272
March	4,407,919	1,490,803	3,156,284	October	3,792,388	2,635,826	1,980,393
April	4,792,930	1,850,635	4,163,761	Novem	3,357,692	4,441,903	2,378,618
May	4,991,208	2,099,231	3,622,483	Deeem	3,263,342	2,865,498	1,108,464
June	3,998,297	2,212,431	3,216,160				
July	3,834,989	2,487,263	2,752,542		$47,923,940	$29,439,617	$31,615,096

EXPORTS.

The total value of exports for 1866 amounts to $21,305,531 ; for 1865, $16,530,328 ; and for 1864, $20,417,710. The exports for 1866, show an increase of $4,775,203. The imports are given at their foreign cost in gold. The exports are reckoned at their currency value here. The imports of specie for 1866 amount to $1,293,943 and the exports of specie to the same time to $3,789,799. The monthly value of exports were as follows :

	1866.	1865.	1864.		1866.	1865.	1864.
Jan	$1,428,533	$1,991,971	$1,453,383	Aug	1,301,791	1,144,747	2,479,609
Feb	1,281,268	1,567,637	1,026,232	Sep	2,025,890	1,381,362	1,915,282
Mar	1,686,314	2,604,649	1,293,031	Oct	1,759,473	1,209.613	1,965,059
Apr	1,697,297	1,049,658	1,518,799	Nov.	1,564,686	1,511,589	1,913,845
May	3,724,808	1,738,601	1,561,481	Dec	1,045,089	1,231,414	1,829,086
June	2,371,525	1,293,151	1,486,966				
July	1,418,857	805,936	1.974.937		$21,305,531	$16,530,328	$20,417,710

WITHDRAWN FROM WAREHOUSE.

The value of merchandise withdrawn from warehouse for consumption in 1866 was $16,463,420, and the amount entered for consumption was $22,414,100, which shows the value of merchandise thrown upon the market, exclusive of free goods, to have been $38,877,529 or an increase of $11,696,059 over that of 1865. The following gives a detailed statement of the value of merchandise withdrawn from warehouse for consumption.

	1866.	1865.	1864.		1866.	1865.	1864.
Jan	$972,865	$1,157,307	$625,182	Aug	1,562,448	1,500,156	887,946
Feb	910,486	700,506	741,347	Sept	1,487,552	1,363,347	826,165
Mar	905,191	874,920	890,766	Oct	1,401,577	877,722	939,419
April	1,546,430	1,083,382	1,473,130	Nov	1,379,133	718,441	1,012,220
May	1,563,963	1,402,403	157,454	Dec	977,932	614,591	1,173,113
June	1,575,080	1,102,065	235,317				
July	2,180,773	1,095,904	659,001		$16,463,420	$12,490,837	$9,421,070

NATIONAL BANKS AND CURRENCY CONTRACTION.

The following letter has been extensively put in circulation. It is an indication of the determined efforts that are being put forth for a further inflation of the currency :

OFFICE OF THE MERCHANTS' UNION LAW CO.,
AMERICAN EXCHANGE BANK BUILDING,
No. 128 BROADWAY, NEW YORK, Dec. 21, 1866.

DEAR SIR—Several of the parties connected with the Merchants Union Law Company having been retained by some of the national banks and others interested, to oppose measures pending in Congress for the further curtailment of the currency, for compelling all such banks to redeem their issues in New York, and for prohibiting them from receiving or paying interest on bank balances. In view of the importance of the questions involved, concert of action has been determined upon ; eminent coun-

sel have been retained at Washington and elsewhere to prepare and present arguments against each of these measures, and in favor of an enlargement rather than contraction of the volume of the currency; and such other measures have been taken as were deemed proper to inform Congress of the wishes and interests of the whole community upon these subjects.

Copies of the blank petitions which have been transmitted throughout the Union have also been forwarded to you, and, after procuring the signatures of your most influential citizens thereto, you are respectfully requested to enclose the same to your Congressional representatives, or to some other member, at Washington, with whom you are acquainted.

Much good may also arise from communicating your wishes by letter to your acquaintances in Congress.

Additional blank petitions, in any number desired, with printed arguments, in pamphlet form, by some of the most eminent counsel in the country favoring these views, will be forwarded to you, free of charge, upon application to this office.

If you approve of the efforts thus made and to be continued in this direction, you are respectfully solicited to contribute to the expenses of the same, by transmitting to this office such retainer in the matter as you shall deem proper—say one-tenth of one mill on each dollar of your capital—being in the proportion of ten dollars on each one hundred thousand dollars of such capital—it being understood, of course that you incur no additional obligation whatever by so doing.

Yours, &c., JOHN LIVINGSTON, Secretary, &c.

THE BOOK TRADE.

M. W. DODD, 506 Broadway, sends us the following excellent books:

1. *The Draytons and the Davenants.* A Story of the Civil Wars. By the author of "The Chronicles of the Schonberg-Cotta Family," &c.

Mrs. Charles has long ceased to need any commendation as an authoress. Her writings, so well known and so heartily enjoyed in every household, require only the simple statement of their publication to insure them an immense circle of readers. The present volume is written in the charming style which characterizes all the works of this authoress and contains many well drawn characters. Job and Rachel Foster, the maiden aunts, cousin Placidia, sweet Lettice Davenant, and saintly Lady Lucy, are all excellent in their way. If there is somewhat less vivacity in this book than in several of its predecessors, there is much earnest thought, and an amount of historical information which greatly enhances its true value and interest. A sequel to the Draytons and Davenants will be published during the year, continuing the narrative through the times of the Commonwealth and the Restoration, and containing many incidents connected with the early Puritan history of our own land.

2. *The Women of the Gospels; the Three Wakings and other Poems.* By the author of "The Schonberg-Cotta Family."

Some of these poems have already appeared as scattered pieces in our papers or periodicals, but many of them are now published in America for the first time. Among the shorter poems are some of peculiar beauty and sweetness, and although it is almost impossible to select the best out of so many that are good, we can name "The Child on the Judgment Seat," "The Pathways of the

Holy Land," and "My Strength and My Heart Faileth," as having especial merit.

3. *The Brewer's Family.* By Mrs. Ellis, author of "Women of England."

"The Brewer's Family," as one might almost infer from the name, is a temperance story, very pleasantly told, and very forcible in its teachings. Mrs. Ellis's writings are always pure in style, womanly in feeling, and of high moral tone. The second story in the book, entitled "Rainy Days, and How to Meet Them," although shorter than the first, is quite as interesting and instructive.

4. *The Brownings: A Tale of the Great Rebellion.* By J. G. Fuller, author of "The Grahams," &c.

This volume contains two stories. The first gives its name to the book; the second is entitled "Lucy Lee, or All for Christ." They are both exceedingly pretty and interesting. The former is a narrative of the sufferings and escape of a Union family at the South in the early part of the war; the latter gives the story of a young girl of intellect and talent who finally turns away from the path to fame, which seems to open before her, to enter upon one of arduous self-denying Christian duty. The book is well fitted for a Sunday School prize, or, indeed, for a present to any young person.

CONTENTS FOR APRIL.