

REPORT

Of a Committee of Directors of the Bank of the United States.—CONTINUED.

And again, with equal unanimity in February, 1832, the following:

"That the Senators from this State in the Congress of the United States be instructed, and the Representatives requested to use their exertions to obtain a renewal of the charter of the Bank of the United States during the present session of Congress, with such alterations (if any be necessary) as may secure the rights of the States."

Such a belief, moreover, is opposed by his own declaration in the Veto Message, that "a new Congress, elected in the midst of such discussion, and furnishing an equal representation of the people according to the last census, will bear to the Capitol the verdict of public opinion, and, I doubt not, bring the question to a satisfactory result."

Now, that Congress to which he referred the decision of the question, had not yet assembled. In some parts of the country the members had not been even elected at the time of signing this manifesto; and yet he now asserts, that he "considers it as conclusively settled that the charter of the Bank of the United States will not be renewed, and he has no reasonable ground to believe that any substitute will be established. Being bound to regulate his course by the laws as they exist, and not to anticipate the interference of the Legislative power for the purpose of framing new systems, it is proper for him seasonably to consider the means by which the services rendered by the Bank of the United States, are to be performed after its charter shall expire."

This seems to involve an inconsistency. There was a Congress about to meet in ninety days, to which very Congress he had referred the question of the Bank. There was a new Congress to meet in December, 1833, before the expiration of the charter. Yet does he now declare that since the people elected him and he was opposed to the Bank, he revokes all he said about the Congress of 1833, disregards the Congress of 1833, and chooses to consider it settled without any "interference of the Legislative power."

The next head of complaint is the postponement of a portion of the three per cents by the Government in April, 1832; and of another portion of the Bank in December, 1832. Now, it is very remarkable that both these subjects were fully examined—the first by the Committee of investigation of 1832, and the second by the Committee of Ways and Means of 1833—and both reports are in decided contradiction to the assertions of the President. For instance, he complains of the first postponement, which he imputes to the Bank, whereas the Committee of Investigation themselves declare, "they are fully of opinion that the Bank neither sought for nor requested a postponement of the payment by the Government." He complains of the second postponement, yet the Committee of Ways and Means report, that the nominal postponement had, in fact, closed the payments sooner than if no postponement had been made; and that "this question seems no longer to present any important or practical object of inquiry, or to call for or admit of any action of Congress upon it."

This would seem to be perfectly satisfactory; yet, lest the revival of these charges may mislead the unsuspecting, it may be well to refute them again, as they have been often refuted before; and first of the postponement in October. He says of it:

"Conscious that at the end of that quarter the Bank would not be able to pay over the deposits, and that further indulgence was not to be expected of the Government, an agent was despatched to England secretly to negotiate with the holders of the public debt in Europe, and induce them by the offer of an equal or higher interest than that paid by the Government, to hold back their claims for one year, during which the Bank expected thus to retain the use of \$5,000,000 of public money, which the Government should set apart for the payment of that debt. The agent made an arrangement on terms, in part, which were in direct violation of the charter of the Bank; and when some incidents connected with this secret negotiation accidentally came to the knowledge of the public and the Government, then and not before, so much of it as was palpably in violation of the charter was disavowed."

If there be any one matter in regard to which the Bank is more beneficial than any other matter, it is precisely this agency in paying off the public debt; and if there be any cases in the course of that agency more useful than any other cases, they are precisely these two cases which are here made the subject of reproach.

The whole collection of the revenue is based on the system, that funds are never accumulated in the Treasury for a long period, but are principally lent out to the community, and only called for as they are needed for the public service. Whenever, therefore, large payments are made by the Government, as it is necessary to withdraw from the use of the community considerable sums, this process requires some delicacy in recalling from distant parts of the United States as much as may answer the immediate exigency, yet not enough to press disadvantageously on the community. This is the especial function of the Bank. How well it has succeeded may be inferred from the testimonials of the successive Secretaries of the Treasury. Thus, Mr. Rush, in his Treasury Report of the 13th of December, 1828, says:

"In this manner, heavy payments of the debt,

are, in effect, made gradually instead of the whole mass being thrown at once upon the money market, which might produce injurious shocks. So prudently in this and other respects does the Bank aid the operation of paying off the debt, that the community hardly has a consciousness that it is going on."

And Mr. Ingham, in like manner, on the 11th of July, 1829, says:

I take the occasion to express the great satisfaction of the Treasury Department at the manner in which the President and Directors of the parent Bank have discharged their trusts in all their immediate relations to the Government, so far as their transactions have come under my notice, and especially in the facilities afforded in transferring the funds of the Government, and in the preparation for the heavy payment of the public debt, on the first inst., which has been effected by means of the prudent arrangement of your Board, at a time of severe depression on all the productive employments of the country, without causing any sensible additions to the pressure, or even visible effect upon the ordinary operations of the State Bank."

Finally, the President himself, in his Message to Congress, of December, 1829, says:

"It was apprehended that the withdrawal of so large a sum from the Banks in which it was deposited, at a time of unusual pressure on the money market, might cause much injury to the interests dependent on Bank accommodations. But this evil was wholly averted by an early anticipation of it at the Treasury, aided by the judicious arrangements of the officers of the Bank of the United States."

It had thus become the habitual policy of the Bank at the approach of any large payment, to begin its preparations for a long period in advance, so as to collect its resources gradually, and to distribute its disbursements over as wide a sphere as possible.

In the year 1832 the country was heavily indebted to Europe for the large importations of the year 1831; and it was particularly desirable to give to the community leisure to pay that debt out of their annual earnings, and to prevent any addition to the foreign demand of 1832. Now there were more than twenty-five millions and a half of the principal and interest of that debt payable in the year 1832—from Dec. 31, 1831, to Jan. 1, 1833—of which more than fifteen millions were to be paid in nine months, and between eight and nine of it to foreigners. The Bank was fully prepared to make the first payment on the 1st Oct. 1832.

The State Banks of Philadelphia, New York and Boston, owed to this Bank 2,280,000 Its specie in these places alone was 3,200,000 Its funds in Europe were 2,982,000

Making of cash in hand, or its equivalents, \$8,462,000

With an open credit in Europe, on which to draw for 2,500,000

Besides not less than twenty millions of debts, to be used for this purpose—while the whole public debt to be paid on the 1st October, was 8,634,922.57.

In this state the Bank, had it considered only its own interest, would have been perfectly passive, since it is perfectly at ease. But it had other and higher interests to consult. From the communication with the Treasury in July, it was probable that the funds of the Government might be insufficient to pay the debt advertised to be paid—and that even if these funds were adequate, the operation would exhaust all the means of the Government, and require that the community should repay the whole amount of the public funds distributed among them. It was further manifest that the ability of the Government to meet its engagements, depended entirely on the punctual payment of the revenue in the commercial cities, from July to January, which was estimated at about twelve millions of dollars.

That resource was threatened with the greatest danger by the appearance of the Cholera, which had already begun its ravages in New-York and Philadelphia, with every indication of spreading the whole country. Had it continued as it began, and all the appearances in July warranted the belief of its continuance, there can be no doubt it would have prostrated all commercial credit, and seriously endangered the public revenue, as in New-York and Philadelphia alone, the demand on account of the foreign three per cents was about five millions.

The Bank, therefore, made an arrangement with the foreign owners of this stock, to the amount of 4,175,373 92, to leave their money in the country for another year, the Bank assuming to pay the interest instead of the Government.—Having settled this, the Bank resumed its usual facilities of business to the community. Of the whole four millions postponed, the interest on them has ceased, and at this moment the only certificates not yet actually returned, are those in the name of two persons, amounting to 42,375 94, and it is remarkable, that while of the whole amount of 4,175,373 92 purchased and postponed, there remain unpaid only two owners, holding 42,375 94; the amount of the unreturned three still outstanding is five or ten times as much. So that in fact, as was anticipated in the report of the Committee of Ways and Means, the postponement has actually hastened its payment.

All these things were fully explained by the Committee of Ways and Means, to whom that part of the President's Message was referred, and that Committee accordingly reported as follows:

"The arrangement made by the Bank for a

temporary postponement, with the consent of the holders of the payment of five millions of the three per cent. debt, being now substantially closed by the surrender to the Government, of the certificates of stock, except for a small amount, and the whole debt itself, as far as respects the Government at an earlier period than it is probable it would otherwise have been, this question seems no longer to present any important or practical object of inquiry, or to call for, or admit any action of Congress upon it.

This ought to be satisfactory, yet is the subject now revived with the addition of two distinct errors in point of fact. The first is that the Bank "was conscious that at the end of the charter it would not be able to pay over the deposits"—whereas the state of the Bank, as above explained, proved its entire ability to make this payment, and that its interposition was exclusively dictated by the desire to avert an additional trouble at a season of pestilence. The second is, that the part of the arrangement made with the agent of the Bank was not discovered until "some incidents connected with this secret negotiation, accidentally came to the knowledge of the public and the Government." The fact is, that as soon as that part of the arrangement which seemed to conflict with the charter, was received, the determination was made to decline executing it before any publication of any sort was seen or known in regard to it.

The evidence of this is so clear and so short, that it deserves to be cited as an example of the general inaccuracy of this manifesto. The Committee of Exchange, in their report to Congress in January 29, 1833, declared as follows:

"But when the contract itself reached the Bank, on the 12th of October, and it appeared from the communication of Messrs. Haring, Brothers & Co. that the stock was to be purchased on account of the Bank, they were immediately instructed on the 15th of October, that the Bank had no authority to become owners of the stock," &c. &c.

When two of the members of that Committee were examined on oath before the Committee of Ways and Means, they confirmed the statement as follows:

Question.—Had the President or Exchange Committee any intention to disavow General Cadwallader's authority, to make the contract he did, until the appearance in the New-York papers of 11th or 12th October last, of the circular of the Berings to the foreign holders of the United States three per cent. stocks announcing to them that they had the authority of the Bank to purchase or negotiate a postponement of the stocks held by them?

Answer of Mr. Manuel Eyre.—I can say you positively. I recollect it perfectly well. When I first read this letter, I said it was not proper, and disavowed it.

Answer of Mr. Matthew L. Bevan.—I never did see myself, the notice referred to in the New-York papers, but well recollect the moment the letter was received giving information of the proceedings in relation to that negotiation, the President of the Bank, with the approbation of the Exchange Committee, immediately wrote, disavowing the nature of that arrangement, it having been made under a misapprehension."

The Complaint in regard to the postponement by the Government in April, 1832, is of the same character. He says that "after this negotiation had commenced, the Secretary of the Treasury informed the Bank that it was his intention to pay off one half of the three per cents on the first of the succeeding July, which amounted to about 6,500,000. The President of the Bank, although the Committee of Investigation was then looking into its affairs at Philadelphia, came immediately to Washington, and upon representing that the Bank was desirous of accommodating the importing merchants at New York, (which it failed to do), and undertaking to pay the interest itself, procured the consent of the Secretary, after consultation with the President, to postpone the payment until the succeeding 1st of October."

The impression here intended to be conveyed, is, that the President of the Bank, in order to relieve the Institution from a demand which it could not sustain, asked an indulgence which was conceded by the Government. Now, the truth is, that the Government wished to make the postponement, but could not do it without the aid of the Bank. Mr. McDuffie, Chairman of the Committee of Ways and Means, and Mr. Cambreleng, Chairman of the Committee of Commerce, who were then members of the Committee of Investigation at Philadelphia, wrote letters to the Secretary of the Treasury, disavowing the Government from making the payment. The only difficulty in doing it was, that the Commissioners of the Sinking Fund had no authority to postpone the payment, as they would be obliged to pay the quarter's interest during the three months delay—and this difficulty was removed by the President of the Bank, who agreed to pay the interest as the money would remain in the hands of the Bank. The letters just mentioned were accordingly submitted to the President, who never saw the Secretary of the Treasury on the subject, as that gentleman was sick, and who himself decided on the postponement after seeing the recommendation of Mr. McDuffie and Mr. Cambreleng. Much stress is also laid on the visit of the President of the Bank to Washington, while the Committee of Investigation were in Philadelphia. The truth was, the letter of the acting Secretary was received so immediately before the period fixed for issuing the notice of payment, that if any thing were to be done at all, it was to be done only by personal communication with the Secretary, as there was no time for correspondence. The gentleman of the Committee were aware of his going, and two of its members wrote letters to promote his object. Besides, his leaving the Committee of Investigation in full possession of the Bank and all its papers, so far from being a subject of reproach or suspicion, is the surest mark of his entire confidence, that there was nothing in the concerns of the Bank which they might not examine at

leisure during his absence, and was the best proof of his confidence in them as well as himself. The whole subject was before the Committee of Investigation of 1832, and that Committee acknowledged, as will be seen from the following extract from their report, that this postponement was not the work of the Bank.

NEW GOODS

Just received from New-York, per order.

Superfine Cloths of all descriptions
Merinoes, Sattinets, Circassians
White Flannel, superfine
Red do
A variety of handsome style cheap prints
Ginghams, Fancy Printed Muslins
Swiss Muslins, plain and figured
Jaconet and Mull do.
Superfine Black Italian Silk
Gros de Berlin Black
Colored Fancy Pin de Swa
Black Gros de Swiss
Black French Bombazine
Black English do
Sarsinets Black and colored
Green Silk
A variety of Fancy Belts
Some Velvet Belts
Ladies superfine Black Gloves
Ladies white Silk do
Ladies Black and colored Silk Hose, best quality
Gentlemen's gloves
Gentlemen's Italian Cravats, best do
Fancy colored Silk
A variety of Silk Handkerchiefs
A variety of Fancy do
A good assortment of Bleached Domestic
A large do Brown 4-4 to 6-4 do
A do Blue Stripes
Hamilton Drillings
A good assortment of straw Gimp, for Bonnets
A variety of BONNETS

HATS.

Some first rate, made to order by St. John

A first rate assortment of

Crockery, Glass, Queensware

Hardware & Cutlery,

Ladies Shoes, Prunella, Israel Robinson's make

warranted

Ladies Seal do do

Shoes of all kinds,

J. Tellinson's Shoes and Boots, constantly on hand

Constantly on hand Spanish Sole Leather

Quicksilver, by the jar

Lorillard's, Macaboy, and Scotch Snuff,

by the pound or bottle

ALSO,

Prime Virginia Snuff

Sugar, (Coffee best green Ligaura)

Best Teas, Lump and Loaf Sugar

Salt, and Molasses

MILITARY GOODS.

Swords, Holsters, Horsemen's Caps, Belts,

Pistols, Gold and Silver Lace,

Military Buttons, of every description.

All persons that wish to buy GOODS cheap,

for Cash or (short credit,) will do well to Call at

the South Corner of Tryon street.

H. R. WILLIAMS, Surviving

PARTNER OF SMITH & WILLIAMS.

Charlotte, Feb. 14, 1834.

REMOVAL.

THE Subscriber informs his friends and customers that he has removed his

Stock of Goods from his old stand to the house lately occupied by Mr. John G. Hoskins. He would also inform them that the business will hereafter be conducted under the firm of

Morrisons & McKee.

JOHN M. MORRISON.

Charlotte, Feb. 6, 1834.

NOTICE.

THE Copartnership heretofore existing be-

tween the subscribers under the firm of

Not & Sumner, Fayetteville, and Joseph Sumner & Co.

in Charlotte, N. C. is this day dissolved by mutual

consent. All persons having demands against them, and all persons indebted to them, will please call on Joseph Sumner, who is duly authorized to settle the same.

WILLIAM NOTT,

JOSUEPH SUMNER.

Fayetteville, Jan. 21, 1834.

N. B. The Business will be continued at the old

stand in Charlotte, by the subscriber, where he is

prepared to do all kinds of Job Work in his line,

and to supply all orders for Tin Ware, at wholesale or

retail, which he may be favored with.

JOSEPH SUMNER.

Charlotte, Jan. 29, 1834.

Rocky River Academy.

CLASSICAL AND MATHEMATICAL

SCHOOL has been opened in an Academy

lately built, located near Rocky River Church.

The year will be divided into two Sessions,

each six months, one commencing the 1st of July,

the other the 1st of January.

Tuition at the rate of \$10 per session.

Board can be obtained in respectable families at

the rate of \$5 per month.

The subscriber promises to spare no pains to de-

velop the faculties, and to give a healthy tone to

the minds of the youth entrusted to his care. The

course will be regular and extensive, embracing

all branches essential for entering the Junior Class

in Colleges. The discipline will be thorough.

Students can enter at any time and a correspond-

ing deduction will be made in Tuition.

R. I. McDOWELL.

Charlotte, Sept. 20, 1833. 571

Boyd's Line of Post Coaches,



Running Twice a week and back, between

Charlotte, N. C. and Camden, S. C.

THE Proprietor of this line informs the public,

that he has lately furnished himself with

new coaches, and he hopes that he will now be

enabled to render satisfaction to those who may

travel on his line. The mail leaves Charlotte every

Sunday and Wednesday mornings and returns ev-

ery Monday and Thursday evenings. Persons

wishing to make an expedition to New-York,

are informed that by Charleston the shortest

passage can be made, a steam boat starting for New

York every other Saturday—the passage being

performed in 7 days. This line intersects with

the Charleston line at Camden.

THO. BOYD.

Charlotte, Aug. 20, 1833.

JOB PRINTING

Of all kinds, neatly executed at this Office.

Grand Mammoth Lottery.

YATES & McINTYRE, Managers.

To be drawn at Baltimore, February 25, 1834.

75 Number Lottery—11 Drawn Ballots.

75 Prizes of 1000 Dollars!

85 of 500 Dollars!

SOLEMNE.

30,000 Dollars—10,000 Dollars

4,000 Dollars—3,000 Dollars

2,420 Dollars—75 of 1,000 Dollars

85 of 500 Dollars!

Tickets only 10 Dollars!

Certificate of package of 25 whole Tickets

will cost \$250

Deduct on taking package \$5

Warranted to sell \$250

Cost of a Certificate \$100

Certificates of packages of Halves and Quarters

in proportion. Address

S. J. SYLVESTER,

130 Broadway, N. York.

The School Fund Lottery draws every Month.

Tickets Two Dollars. Class 18 will be drawn

Monday, February 24th.—Capital prize \$5,000

Certificate of 20 whole tickets will cost only \$2

Letters in every instance are deemed confidential

and answered by same mail as received.

Prizes Sold by Sylvester.

5,000 Dollars sent on the 10th of January

to Boston.

\$6,000 sent on the 16th of January to Ben-

nington, Vermont.

Tickets at all Prices from \$2 to \$10.

VIRGINIA State Lottery, Class No. 4, to

be drawn Feb. 15, 1834.

Seventy-Five Prizes of Five Hundred Dollars

—ALSO—

Prizes of \$20,000, 5,000, 2,000, 1,500, &c.

Tickets only \$5.

School Fund Lottery.

A Class of this Lottery will be drawn every

day—Tickets TWO Dollars.

CLASS 16 will be drawn at Providence, R.

10th, 1834.—66 Nos. 10 drawn ballots. Prizes

\$6,000, 2,000, 1,000, 500, &c.

A certificate of a package of 20 whole tickets

costs only 37 Dollars. S. J. SYLVESTER,

130 Broadway, N. Y.

NOTICE.

THE subscriber having concluded to

close this Book Store, in Charlotte, offers

for sale his BOOKS and STATIONARY at

greatly reduced prices. His stock of Books and

Stationary Articles being large and valuable,

having been purchased in the Northern States