

CONGRESS.

HOUSE OF REPRESENTATIVES.

MONDAY, FEB. 25.

After the reference of sundry petitions, The engrossed bill making further provision for military services during the late war, was read the third time and passed. Then, on motion of Mr. Calhoun, the House postponed the intervening orders of the day, in order to proceed to the consideration of the National Bank Bill.

Mr. Calhoun rose to explain his views of a subject so interesting to the Republic and so necessary to be correctly understood, as that of the bill now before the committee. He proposed at this time only to discuss general principles without reference to details. He was aware, he said, that principle and detail might be united; but he should at present keep them distinct. He did not propose to comprehend in this discussion, the power of Congress to grant Bank Charters; nor the question whether the general tendency of banks was favorable or unfavorable to the liberty and prosperity of the country; nor the question whether a National Bank would be favorable to the operations of the government. To discuss these questions he conceived would be an useless consumption of time. The constitutional question had been already so freely and frequently discussed, that all had made up their mind on it. The question whether banks were favorable to public liberty and prosperity, was one purely speculative. The fact of the existence of banks, and their incorporation with the commercial concerns and industry of the nation, proved that enquiry to come too late. The only question was, on this hand, under what modifications were banks most useful, and whether the United States ought or ought not to exercise the power to establish a bank. As to the question whether a National Bank would be favorable to the administration of the finances of the government, it was one on which there was so little doubt, that gentlemen would excuse him if he did not enter into it. Leaving all these questions then, Mr. C. said, he proposed to examine the cause and state of the disorders of the national currency, and the question whether it was in the power of Congress, by establishing a National Bank, to remove those disorders. This, he observed, was a question of novelty and vital importance; a question which greatly affected the character and prosperity of the country.

As to the state of the currency of the nation, Mr. C. proceeded to remark—that it was extremely depreciated, and in degrees varying according to the different sections of the country, all would assent. That this state of the currency was a stain on public and private credit, and injurious to the morals of the community, was so clear a position as to require no proof. There were, however, other considerations arising from the state of the currency not so distinctly felt, nor so generally assented to. The state of our circulating medium was, he said, opposed to the principles of the federal constitution. The power was given to Congress by that instrument in express terms to regulate the currency of the United States. In point of fact, he said, that power, though given to Congress, is not in their hands. The power is exercised by banking institutions, no longer responsible for the correctness with which they manage it. Gold and silver have disappeared entirely; there is no money but paper money; and that money is beyond the control of Congress. No one, he said, who referred to the constitution, could doubt that the money of the United States was intended to be placed entirely under the control of Congress. The only object the framers of the constitution could have in view in giving to Congress the power "to coin money, regulate the value thereof and of foreign coin," must have been to give a steady and fixed value to the currency of the United States. The state of things at the time of the adoption of the constitution, afforded Mr. C. an argument in support of his construction. There then existed, he said, a depreciated paper currency, which could only be regulated and made uniform by giving a power for that purpose to the general government. The states could not do it. He argued, therefore, taking into view the prohibition against the states issuing bills of credit, that there was a strong presumption this power was intended to be exclusively given to Congress. We have in lieu of gold and silver a paper medium, unequal but generally depreciated, which affects the trade and industry of the nation; which paralyzes the national arm; which sifies the faith, both public and private of the U. States; a paper no longer resting on gold and silver as its basis. We have indeed laws regulating the currency of foreign coin; but they are, under present circumstances, a mockery of legislation, because there is no coin in circulation. The right of making money, an attribute of sovereign power, a sacred and important right, was exercised by two hundred and sixty banks, scattered over every part of the United States, not responsible to any power whatever for their issues of paper. The next enquiry was, how this evil was to be remedied? Restore, said he, these institutions to their original use; cause them to give up their usurped power; cause them to return to their legitimate office of places of deposit and deposit; let them be no longer mere paper machines; restore the state of things which existed anterior to 1813, which was consistent with the just policy and interests of the country; cause them to fulfill their contracts, to respect their broken faith; resolve that every where there shall be an uniform value to the national currency; your constitutional control will then prevail. How, then, is this desirable end to be attained? What difficulties stand in the way? The reason why the banks could not now com-

ply with their contracts was, that conduct which in private life frequently produces the same effect. It was owing to the prodigality of their engagements without means to fulfil them; to their issuing more paper than they could possibly redeem with specie. In the United States, according to the best estimation, there were not in the vaults of all the banks more than fifteen millions of specie, with a capital amounting to about eighty two millions of dollars; hence the cause of the depreciation of bank notes, the excess of paper in circulation beyond that of specie in their vaults. According to estimation, there were in circulation within the United States, two hundred millions of dollars of bank notes, credits, and bank paper, in one shape or other. Supposing thirty millions of these to be in possession of the banks themselves, there were perhaps one hundred and seventy millions actually in circulation, or on which the banks draw interest. The proportion between the demand and supply, which regulates the price of every thing, regulates also the value of this paper. In proportion as this issue is excessive, it depreciates in value. Mr. C. said the Banks had embarrassed themselves by subscribing for too much of the public stock. The banks are not insolvent, they never were more solvent. If time be allowed them, they may before long be in a condition to resume payment of specie. If the Banks would regularly and conscientiously begin to dispose of their stock, to call in their notes for the treasury notes they have, and moderately curtail their private discounts; if they would act in concert in this manner, they might resume specie payments. If they were to withdraw by the sale of a part only of their stock and treasury notes twenty five millions of their notes from circulation, the rest would be appreciated to par, or nearly; and they would still have 13 millions of stock disposable to send to Europe for specie, &c. The only difficulty, that of producing concert, was one which it belonged to Congress to surmount. The indisposition of the banks, from motives of interest, obviously growing out of the vast profits most of them have lately realized, may be supposed. A National Bank, he said, paying specie, itself would have a tendency to make specie payments general, as well by its influence as by its example. It will be the interest of the national bank to produce this state of things, because otherwise its operations will be greatly circumscribed, as it must pay out specie or national bank notes; for he presumed, one of the first rules of such a bank would be to take the notes of no bank which did not pay in gold and silver. A national bank of 35 millions, with the aid of those banks which are at once ready to pay specie, would produce a powerful effect all over the union. Further, a National Bank would enable the government to resort to measures which would make it unprofitable to banks to continue the violation of their contracts, and advantageous to return to the observation of them. The leading measure of this character would be to strip the banks refusing to pay specie of all the profits arising from the business of the government, to prohibit deposits with them, and to refuse to receive their notes in payment of dues to the government. If they persisted in refusing to resume payments in specie, Congress must resort to measures of a deeper tone, which they had in their power. Mr. Randolph was glad to see a cause so important in hands so able. He promised the honorable gentleman, though he might not agree in his mode of remedying the evil, he would go with him in the application of any adequate remedy to an evil which he regarded as most enormous. Mr. Sergeant moved to amend the first section of the bill by striking out the words "thirty five," and inserting "twenty," as the amount of the capital of the Bank. After some remarks from Mr. Calhoun in opposition to this motion, and of Mr. Pitkin in favor of it, the committee rose, reported progress, and obtained leave to sit again, and the House adjourned.

TUESDAY, FEB. 27. After the presentation and reference of sundry petitions— Mr. Nelson of Virginia, from the committee on the Judiciary, reported a bill to establish a uniform system of bankruptcy throughout the United States; which was twice read and committed. Mr. Robertson, from the committee on public lands, reported a bill to authorize the sale of land forfeited to the United States in the district of Jeffersonville; a bill providing for the sale of land at the British fort, at the foot of the rapids of the Miami of the Lake, and for other purposes; and a bill providing for the sale of the tract of land at the lower rapids of Sandusky river; which bills were severally twice read and committed. Mr. Johnson of Ky. from the committee on Military Affairs, reported on the following subjects of enquiry, &c. referred to that committee.—1st. That it is inexpedient at this time to make additional provision by law for military transportation.—2d. That no provision is necessary to be made for paying a certain corps of volunteers in Maine, the President being already fully empowered by existing laws to do so.—3d. That it is inexpedient to assume the payment of interest on unpaid sums which may have been due for military services.—4th. That no provision is necessary at this time for printing and distributing the militia and military laws and articles of war.— These reports were ordered to lie on the table. On motion of Mr. Creighton, Resolved, That the committee on the Public Lands be instructed to enquire into the expediency of selling the lands of the United States, in that tract of country in the state of Ohio, heretofore set apart for satisfying the claims of the refugees from the British provinces of Canada and Nova Scotia. Mr. Huger called up the resolution submitted a few days ago by him, to enquire into the manner of keeping certain public accounts, and into the amount and cause of the great balances now standing against individuals, on the books of the Comptroller, &c.

LATE FROM FRANCE.

New-York, Feb. 20.

Paris papers to the 26th of Dec. were last evening received at the office of this Gazette, by scbr. Diana, Captain Porter, from Bordeaux. Since the promulgation of the treaty between France and the Allied powers, and the trial and execution of Marshal Ney, nothing of consequence has occurred on the continent. PARIS, Dec. 23. Gen. Cambareres has been arrested and conducted to P'Abbaye. Letters from Barcelona announce that the greatest tranquility exists in Spain. The friends of Ferdinand become daily more numerous. The English Commissioners named by the Duke of Wellington have entered Valenciennes, Conde, and Bouchain, to make the necessary dispositions for the occupation of the important places. Escape of M. Lavalette.—It was yesterday stated that Count Lavalette was to have been executed had he not have escaped the night before, by the following means— Madame Lavalette went to dine with him, accompanied by her daughter, 12 years old, and her maid servant; at seven o'clock in the evening the two last persons presented themselves at the outer gate of the prison to go out, supporting a person who appeared to be Madame Lavalette, who was enveloped with a fur gown, with the head covered with a large bonnet and holding a handkerchief to the eyes, all the persons belonging to the prison being present. As they were accustomed to see three persons go out of the prison every evening, they neglected to assure themselves of the identity of the person of Madame Lavalette, through feelings of compassion for the unfortunate situation of that lady. Five minutes afterwards, the keeper having entered the prisoner's room, found only Madame Lavalette; he instantly cried, (Madame Lavalette declares)—"You have ruined me." Madame Lavalette begged him not to give immediate alarm, fearful of his being caught, should they have proceeded in pursuit instantly; she endeavored to retain him by the arm, and even tore off the sleeve of his coat; the keeper, deaf to her prayers, ran to the others crying "the prisoner has escaped," and ordered the jailors to search for him on all sides.— Two of them met, on the Point Neuf, the chaise in which Madame Lavalette came to the prison; but they found no one in it. As soon as the escape was become known, the Minister of General Police, and the Prefect of Police, went to the Conciergerie, and interrogated all the persons employed. Orders were given to arrest the keeper and a porter, who, it is supposed, favored the escape; immediate strict search took place, estates were sent off yesterday morning on all points, and it is thought impossible that M. Lavalette will be able to escape their pursuit, whichever way he may have gone. Neither public nor private carriages were allowed to leave Paris yesterday morning, as orders were given for all the barriers to be closed as soon as the escape was known. Gen. Cambrone landed on the 16th at Calais from England, and was immediately conveyed on his way to Paris, to undergo his trial. General Excelmans is yet at Brussels. Some pretended reports have been industriously spread of disagreements having broken out between the British and Spanish courts, but we can with safety affirm, that they are perfectly groundless. Reports from Gallacia appear to confirm the accounts of the misunderstanding between the Russians and Turks. Madam Lavalette has been examined several times; herself and daughter are still confined; and the keeper of the prison and turnkey are detained. LONDON, Dec. 19. A defaulter in the collection of the French taxes lately decamped to England with bills on London to the amount of 10,000 pounds sterling. He got them discounted, and shipped at Falmouth for America, a few days before he was sought after in England by the French government. A mail from Holland arrived this morning. The king of Netherlands has notified to the States General the conclusion of a treaty of marriage between the Prince of Orange and the duchess Maria Paulowna. As a further distinction to the regiments that have participated in the achievement in the glorious victory of Waterloo, they are to have the name of that place on their colors. BY AUTHORITY. Resolution, to indemnify the sureties of Commodore John Rodgers. Resolved by the Senate and House of Representatives of the United States of America, in Congress assembled, That under the peculiar circumstances of the case, of an appeal taken by Commodore John Rodgers, from a decree of the United States Circuit Court for the district

WEDNESDAY, FEB. 28.

After the reception and reference of several petitions; and the transaction of some other minor business. Mr. Tucker submitted a resolution to amend the rules of the House, by providing for the appointment of separate committees of three members each, to examine into the state of the accounts of the State Treasury, War, Navy, Post-office, and all other departments of the government; which resolution, of course, lies on the table one day. On motion of Mr. Paris, Resolved, That the President of the U. S. be requested to cause to be laid before the house a statement of the number of impressed American seamen confined in Dartmoor prison, the number surrendered, given up, or taken from on board British vessels captured during the late war, together with their places of residence, respectively. The house then again resolved itself into a committee of the whole, on the National Bank bill—the motion to reduce the capital being still under consideration. Messrs. Webster, Hopkinson, Sergeant and Pitkin advocated the motion, and Messrs. Calhoun, Sharp and Calhoun opposed the motion. The question on reducing the capital to twenty millions, was finally taken and decided in the negative, as follows: For the motion, 49, Against 74. The committee then rose; and the House adjourned.

THURSDAY, FEB. 29.

After the reception and reference of several petitions— The bill from the Senate for the relief of Col. Lawrence, his officers, &c. of Fort Bowyer, was read the third time and passed. Mr. Ward of Mass. moved that the House proceed to consider the resolutions submitted by him some days ago respecting the national currency. The house agreeing to consider the resolutions, 52 to 49, and the question being stated on adopting the resolutions—Mr. Calhoun moved to refer the resolutions to the committee on the National Currency, which he said, already had the subject under deep consideration. This motion was opposed by Mr. Ward at some length, who thought the resolution spoke for itself, and could be decided on by the house without the aid of a committee; that the reference would also be productive of delay, in regard to measures which he regarded as of great urgency as well as of necessity. Mr. Wright supported the reference, and replied briefly to the remarks of Mr. Ward. After some further discussion, the resolutions were referred as moved by Mr. Calhoun—ayes 62, nays, 49. The house again resolved itself into a committee of the whole on the National Bank Bill. On motion of Mr. Cady, with the assent of Mr. Calhoun, the bill was amended by striking out so much of the bill as gave to Congress the privilege hereafter of extending the capital of the Bank from thirty-five to fifty millions. Mr. Cady moved to strike out so much of the bill as authorizes the government to subscribe a certain proportion (seven millions) of the stock of the Bank. This motion was opposed by Mr. Calhoun and Mr. Smith of Md. and supported by Mr. Randolph, Mr. Cady & Mr. Ward of Mass. Before deciding the question, the committee rose and reported progress, and the House adjourned.

FRIDAY, MARCH 1.

After the presentation and reference of sundry petitions: Resolved, That the Secretary of War be directed to lay before this house, an estimate of the damage sustained by the vessels sunk in the entrance of the port of Baltimore, by order of the commanding general to prevent the enemy from passing Fort M'Henry. After some remarks to shew the great evils resulting to the community from the influx of unauthorised notes purporting to be issued by banks which no one knew, and which in some cases were palpable frauds, unsupported by any ability to pay them—Mr. Goldsborough moved the following resolution, which was agreed to. Resolved, That the committee appointed to enquire into the state of the several Banks in the District of Columbia be instructed to enquire into the expediency of prohibiting within the said district, the circulation of notes issued by any private banking association, whether existing within the district or elsewhere, and of restraining the formation of such private banking associations in future. The House again resolved itself into a committee of the whole, on the National Bank bill—The motion to strike out so much of the first section as allows government to subscribe for seventy thousand shares of the stock, being still under consideration. Mr. Wright opposed the amendment at some length.—He was sorry to see a plan which promised such great benefit to the country in the present strangled state of its currency, endangered by the present motion. If the motion prevailed, he should be compelled, he said, to vote against the bill, much as he was in favor of establish-

FOREIGN NEWS.

WAR BETWEEN ENGLAND AND SPAIN.

CHARLESTON, JAN. 14. Capt. Hill, of the schr. Weazle, arrived at this port yesterday morning, in 12 days from Cape Nicholas Mole, informs us, that just before he left there, a schooner from Jamaica bound to Cape Francois, put in to land a passenger who was charged with business with the Haytian government. They informed that a war was immediately expected between Great Britain and Spain. Captain H. also says, that the officers of the sloop of war Carnation, which had been in at the Cape for some days, reported that they had a similar expectation.

LATE FROM CARTHAGENA.

Baltimore, Feb. 28. By the schooner William, Captain Southcomb, 16 days from Aux Cayes, we learn that accounts were received that Carthagea was evacuated by the patriots on the 6th Dec. and the place taken possession of by Morillo the day following. The principal part of the fugitives had arrived at Aux Cayes, in the most forlorn condition; a brig with a number of them on board, was cast away at the entrance of Aux Cayes, in a gale on the night of the twentieth of January, vessel and cargo totally lost—crew and passengers saved. A schr. with about three hundred of these unfortunate people, men, women and children, arrived about the same time; on her passage from Carthagea, she fell in with a Spanish government brig of war, which she beat off after a desperate action—the Captain and a number of passengers on board the schr. were killed. The last accounts from Carthagea stated, that the Spanish squadron was still cruising off the Port; the Patriot flag flying on the walls of the town to entice vessels unacquainted with the evacuation, to force the blockade—they had succeeded in this way with 7 American and 8 English vessels, which were condemned; the crews were supposed to have been murdered, or thrown into the inquisition, which had been reinstated. M. C. H. Books.