prii, 1827, the cashier of the parent bank writes a circular to the respective branches, informing them, among other thines, that the directors have "deemed it best that blank forms of an uniform appearance should be prepared with the forms of an uniform appearance should be prepared with the such of the southern and western offices as seem, to stand most in need of them, or to be able best to employ them used in the control of the southern and western offices as seem, to stand most in need of them, or to be able best to employ them used in the properties of the southern and western offices as seem, to stand most in need of them, or to be able best to employ them used in the properties of the southern and western offices as seem, to stand most in need of them, or to be able best to employ them used in the properties of the southern and spapeopriated here to certain offices, a supply of them to be on the square number (55), and the other to be on the square number (55), and the other to be on the square number (55), and the other to the other to certain offices, a supply of them to be on the square number (55), and the other to the other to certain offices, a supply of them to be on the square number (55), and the other to the other of some one officer of the brank, but he middle of the draft, and papeopriated here to ever the other to the other to the beart, but he made to the continuous of the other to the othe

The third case is the selling coin, and particularly American coin. The attention of the committee was drawn to this subject by the fact that the General Government had, on one occasion, to pay the bank two per cent, on ten thousand Spanish dellars, which it wanted for the benefit of the navy in South America. To an interrogatory put to the President on this subject, he replied, "The bank is authorised to deal in bullion. It buys and sells bullion. All foreign coins are bullion. Their being a legal tender does not make them the less bullion, and the bank having bought them at a premium, sells them at a premium. The obligation of the bank is, to pay the claims on it in coin, American coin, or legalized coin; and if the foreign coin is worth intrinsically, or commercially, more than the American coin, the difference in value raust be worth the difference in specie, and there seems no reason why the bank should sell its

Although the bank acted under legal advice, it may be well questioned whether foreign coin is bullion. The Constitution gives to Congress the right to regulate its own and foreign coin; when, therefore, the latter has a value prefixed to by law and is suffered to be used, with that regulated value, in like manner with our own coin, it would seem not to have lost the name and character of coin, and is made by force of law what it would be, if carried through the mint and subjected to the condition of our own coin; and, therefore, to deal in it as a commodity, is calculated to disturb its legal value, and render at least that portion of the metallic currency uncertain and fluctuating.

If however, the committee have taken a wrong view of

REPORT OF THE MAJORITY.

Mr. CLAYTON, on behalt of the majority of the Committee appointed on the 14th March, 1832, to inspect the books, and examine into the proceedings of the Bank of the United States, made the following report:

In obedience to the foregoing resolution, the committee appointed under the same, proceeded to the city of Philadelphia, and commenced the inspection of the books, and the examination of the proceedings of the bank on the 23d of March last; and, after the most attentive and laborious investigation, which their limited time would allow, the majority have prepared the following report, which they beg leave to submit to the House of Representatives.

They believed, that, as the House wished information more for the purpose of enlightening their rainds, and assisting their judgments as to the expediency of again renewing its charter, than to abridge it of the small remnant of time left for its operation,a liberal construction of the resolution would not be deemed a departure from their trust; consequently they have directed their inquiries to two general objects. the statement of the president of the bank, to be virtually admitted that our own coin is not bullion, and, therefore, does not come within the objects of trade allowed to the bank by the 9th fundamental rule of the charter. By reference to the stateme t of species old by the bank, marked No. 24, it will be found that the sum of \$84,734 44 of American gold coin has been parted with.

 11.
 On the first of December, 1826, the President was instruced to endeavor to presure the necessary change. He says, in reported on the 27th of February, 1827, that no action courbe subject would take place at that session of Congress, and, accordingly, the matter was referred to the committee. and, accordingly, the matter was religred to the committee on the offices." See Doc. 3, c.

He adds, "the opinion of Mr. Binney, Mr. Webster and Mr. Wirt, the Attorney General, was taken on the subject of issuing branch drafts." See Doc. 3, c.

On the 6th of April, 1827, the following communication was made to the board of directors: "The committee on the offices, to whom was referred, on the 23d of February bast, the report of the president of the bank, stating the unsurcessful result of the application to Congress for an alteration of the charter, which would authorise the signature of notes by other persons than the president and cashier, roort that, in various parts of the Union, but more especially in the southern and western sections, there is a constant and increasing demand at the offices for the smaller denominations of notes, which it is impossible to supply." They

which the bank is to act, and they are to be strictly pursued there is then no grant to make gratuities for any object what

The consequences of the exercise of such a right, might be fraught with very great injury to the stockholders; cartainly of dangerous interference in the rival trade of different sections of the country, and of pernicious influence upon the operations of Government.

on the operations of Government.

The committee approach the last ground, which is the building houses to rent and sell, and erecting other structures in aid of that object. They will merely present the fact and the law, and leave the House to place their own construction upon the case.

James of the first its origin. The money, \$15,000, was advanced on the 26th of March, the notes bear date on the 1st of April thereafter. of March, the notes bear date on the 1st of April thereafter, and were ten in number for fifteen bundred dollars each, with the interest added on as they respectively became due, which was on the 1st of April and October, of the years 1832, '33, '34, '35, '36, and amounted, with the interest thus added, to \$17,975. At the time they were entered on the books of the bank, on the second of January last, the president received the money for them. These notes were placed on the books of the bank at this time and it will be seen on the 2d of March box were with the part of the 2d of March box were with the second of the 2d of March box were with time, and it will be seen on the 2d of March they were with-drawn, as will appear hereafter. On the 9th of August last, a first the foregoing transaction had taken place, J. W. Webb and M. M. Noah made an application to the bank for a loan of \$20,000, accompanied by a letter from a gentleman formerly a director of the Bank of the United States, to the president of the bank, in the following words: "I cheerine, and it will be seen on the 2d of March they were withpresident of the bank of the United States, to the president of the bank, in the following words: "I cheerfully forward the enclosed as requested. I see no reason against this application being treated as a fair business transaction."—This was accompanied with sundry letters of Webb and Noah, and the depositions of persons in their service as to their solvency and ability to pay the foan requested, all of which will be found marked No. 9. This oan, at six months, was granted, with no other security but hat which is just mentioned, the largest loan made on that lay. On the 16th of December following, another applicathat which is just mentioned, one negest non-man mane on can-day. On the 16th of December following, another applica-tion was made, by these same parties, for a loan of \$15,000, which was granted, for six months, by the exchange com-mittee, without any additional security or recommendation. At this time, there was a considerable pressure in the money

At this time, there was a considerable pressure in the money market, and many notes of the citizens of Philadelphia were rejected. It was one among the largest longs of the day.—
These loans, together with the loan made in March to Burrows, amounted to the sum of \$52,975, which consisted of notes drawn and endorsed by the editors only.

The committee will now submit the firsts in relation to the manuer in which this loan has been disposed of, first premising that the resolution for inquiting into the affairs of the bank was introduced into the House on or about the 17th of February. The loan of Angust was reduced. of the bank was introduced into the House on or about the 17th of February. The loan of August was reduced \$2,000 at its maturity, on the 10th of February hast. On the 2d of March last, Mr. Silas E. Burrows obtained from the exchange committee discounts to the amount of thirty-two thousand four hundred and lotty-six dollars, being the largest sum loaned on that day, and while many notes of citizens of Philatelephia were rejected. That the notes for \$17,975, payable in 1832, '33, '34, '35, and '36, were paid and withdrawn by him on the 2d of March, without the knowledge of Webb and Noah, as they state. On the 14th of the same month, Burrows obtained another discount from the bank of \$14,150, and on the 15th of the same month the note of Webb and Noah for \$15,000, loaned them on the 16th of December previously, and not due till June next. doubt but that the enemies of the bank, as also our political opponents, will endeavor to give a laise coloring to the whole transaction. The loan, though strictly defensible, is a large one, and the amount may give rise to the charge of indiscretion on the part of the directors. This, it is not only our duty, but our desire, to prevent, if possible; and, therefore, with some little inconvenience to ourselves, we have made arrangements to pay the note of \$15,000 in the course of a few days.

1832. Feb. 14, M bills at 40 to 105 days, and at a premium of 104 per cent. Feb. 14, 3 bills at 50 to 70 days, and at a premium of 11 per cent.

notes at the back in Philadelphia, was \$7,303,073 52. Of that sun more than two-thirds were loaned to minety-nine persons, to wit, \$5,431,111. More than \$3,000,000 were in the hands of twenty-seven individuals; and nearly one-seventeenth part in the hands of one-person. The committee have already expressed their conviction that these large accordances. commodations, to a few individuals, are injurious to trade generally, and they will add, that they ought always to be made by either the board of directors, or the committees empowered by them for that purpose. For an explanation of this subject, see papers numbered 13 and 18. Properly connected with this subject is the accommoda

Properly connected with this subject is the accommona-tion extended by the bank to individuals on the pledge of stock. In all the monthly statements of the condition of the bank, prior to the first of March last, there was no column showing these loans. In that month, for the first time, so far as the committee can discover, a new column is exhibit-ed, entitled "bans on other stocks," and which appeared, at that time, to have been transferred from the line called "bills discounted on personal security." This change was "bills discounted on personal security." This change was thade in consequence of a call for stock loans, by the House sisting of Theutre shares, Museum stock, Arcade stock, Railroad and Canal stocks, Coal company stock, real es-tate in Louisiana, &c. &c., amounting to the sum of \$1,-

\$5 184,910 29

Of which \$20,925 980 07 has been drawn to those places since the first of January, 1823, 6th. The amount of specie, (in the sume state, southern and western branches, since 1819, is The premium received on the specie sold, is The premium paid on the specie purchased, is

What profits were made on the specie experted, the committee did not call for documents to enable them to ascertain; it must, however, from the great quantity sent away, have been considerable.

The committee called for a statement of all the specie imported by the bank from abroad, since 1819; but, as none was returned, they presume none was imported. What proportion of the gold experted was American coin the committee have not before them the means to determine; it was expected to have been given in the statement, but in the committee have not before them the means to determine; it was expected to have been given in the statement; but in looking into them the gold exported is without a designatory name; it is believed, however, the amount is conside-

ssor will be comparatively light."
The committee cannot but think that, had the succeeding The committee cannot but think that, had the succeeding direction of the bank been guided more by the opinions and wishes of the stockholders, as then expressed, and gone on gradually growing with the growth, and increasing with the natural wants of the country, great suffering to the community would have been avoided.

ndy would have been avoided. In the year 1819, great abuses existed in the branches, of which Mr. Cheves speaks without reserve, in his last report of the stockholders, as well as in his correspondence with Mr. Crawford, and upon costing the eye over the monthly tatements, it is remarkable to observe what losses have taren place at the branches compared with the mother bank for instance: on the 1st of January last, the loss of the mother bank, on a capital of sixteen millions and a half was, in round numbers, \$328,000 : that of the Bahimore branch was. round numbers, 5325,000; that of the ballinore framen was, \$1,662,000, on a capital of one million and a half, so that it lest more than its capital. That of the Noriolk branch was \$229,000, on a capital of 500,000, lösing nearly one half of its capital, and so with all the rest of the branches, their losses are out of all proportion to their capital, and ten times enter than the mother bank, according to the amount of These losses, however, were prineir respective capitals. These losses, however, were prinfacts is, that the worst of mismanage

ins existed in the branches.

The "Contingent Fund" has claimed the attention of The "Contingent Fund" has claimed the attention of the committee. The object for which it was originally cre-ated, and the original amount provided, together with the additional appropriations which have been made to it, and the manner in which the same have been applied at differ ent periods, will all be explained in the following docu-

ments.

The report of the beard of directors, in July, 1821, published in the generates at that time, marked No. 28: the report of the stockholders at the triennial meeting in October, 1822; the report of the Dividend Committee, on the 16th January, 1823, marked No. 29; a statement of the purticulars of the debts "considered lost," marked No. 30; a statement of the suspended debt and real estate, with the probable loss thereon, marked No. 31; the statement headed "Contingent Fund," marked No. 32; the sales of the forfeited bank stock, marked No. 33; and the dividend reports for July, 1829, January and July, 1830, January and July, 1831, marked No. 33. To these the committee refer for the particulars of the subjects to which they relate, in connection ulars of the subjects to which they relate, in connection ich the " Contingent Fund." The committee feel it their duty now to give their views

The committee feel it their duty now to give their views as to the causes of the present distress in the trading community, and which they fear may greatly increase. It is an acknowledged principle that like causes, in all cases, produces like effects; and as in 1819 contraction followed the expansion of 1817 and 1818, so by the same rule must contraction follow the immense expansion of 1830 and 1931, and like effects and consequences succeed. To illustrate more clearly the position, and bring it home to the minds of every one, the following indice of the state of the bank during some of the months of 1818 and '12, and 1831 and '32, are here exhibited, embracing items from which direct calls upon the vaults proceed, and the immediate means which remain to meet them, viz: The first are the deposites, circulation and debts abroad, not on permanent loan. The second, the specie, funded debt, and notes of other banks, the amount of each will be found under their proper heads at the various periods mentioned [Tablehereafter.]

The preceding table shows that, at no period in 1819, when the bank was very near suspending payment, was it less able to extend relief to a suffering community as at the

The preceding table shows that, at no period in 1819, when the bank was very near suspending payment, was it less able to extend relief to a suffering community as at the present moment. In April of that year, the month in which its difficulties were the greatest, its means of specie, notes of other banks, and funded debt (which could have been

turned into specie or notes of other banks) amounted to upwards of ten millions of dollars; and the whole demands, which could come against it in the same month, of circulation, deposites, and debts owing abroad, amounted to only about fourteen millions. But the committee feel bound, in candor, to state, that this was after a number of months of constant contraction, not only by the bank of the United States, but also by most of the other banking institutions of the country, where a general exhaustion had been produced. It was on the 6th of April, 1819, that Mr. Crawford, then Secretary of the Treasury, writes to Mr. Cheves that: "It is even doubtful whether it is practicable, with all the exertions which it is in your power to make, to continue species payments through the year." Under the same date, he says: My impression is, that the safety of the bank can only be effected by withdrawing nearly the whole of its paper in circulation. If the bank does this, all other solvent banks will be compelled to do the same. When this is effected, gold and silver will be introduced into the country, and make a substantial part of the circulation, and enable the banking institutions gradually to resume their accustomed operations. Whilst this is effecting, the community, in all its relations, will be greatly distressed. Considering the extent of the suffering, it is greatly to be desired that seme good may result from it."

The committee believe that the course of operations by the bank, during the year 1830 and 1831, have been nearly of a similar character to those of the years 1817 and 1818. Drafts and notes, payable at distant offices, were then freely discounted at the Bank of the United States, and the different offices. Bank notes were issued by the bank, without regard to the wants of the community, or the effect upon the circulating medium, which became depreciated, diving the precious metals from the country: and, until the re-netion had operated to check them, led to extravagant speculations, which ended in ruin

present condition. At the first mentioned period, Mr. Cheves informed the Secretary of the Treasury that the bank would not pay the Louisina debt of three millions, without negociating a loan in Europe, and two millions were actually borrowed in Europe, the indulgence of the Government being obtained to that effect. The bank at this time is precisely in the same situation; it has asked the Government to postpone the redomption of the three per cets from 1st of July to 1st of October, and has assumed the payment of one quarter's interest on these stocks, being substantially equivalent to borrowing seven millions of the Government's money for three months.

The supplying of exchange by the bank, as has been done for the last five months, and the curtailing discounts, are but more full fatires, as the committee fully believe; and they are persuaded that no measure can be invented to restore a

are persuaded that no measure can be invented to restore a sound currency, and a regular state of things generally, and give a solid and permanent value to property, but the withdrawal of a large portion of notes new in circulation, by the bank, which will compel other banks to do the same.

The committee will lere introduce a quotation from Mr. Rush, in his Treasury Ropott in 1828, which fully accords with their sentiments: "It is the preservation of a good currency which can alone inpart stability to property, and prevent those fluctuations in its value, hurtful alike to individual and national wealth." Again, he says, "This advantage the bank has secured to the community, by confining within prudent limits its issues of paper, whereby a restraint has been imposed upon excessive importations, which are tage the bank has secured to the community, by confining within prudent limits its issues of paper, whereby a restraint has been imposed upon excessive importations, which are thus kept more within the true wants and capacities of the country. According to the triennial report of the directors to the stockholders on the 1st of August, of 1828, the amount of circulation then was \$13,044.760 71; and on the first of April last, as before stated, it was \$23,717.441 14, presenting the astonishing difference of \$10,671,780 43, in less than four years. Can this be considered, according to the sound dectrine of Mr. Rush, confining its issues of paper within prudent limits, whereby a restraint has been inposed upon excessive importations?—That great contractions are injurious, the committee consider they have adduced an authority that cannot well be doubted, and that a great one is now in operation that are too many general evidences in confirmation of the fact, to be refuted. A particular one will suffice, which is taken from the documents called for by the Senate, and presented to that body by the Secretary of the Treasury, on the 12th of March last, in which will be found a communication from the president of the bank, stating that the amount of branch notes redeemed by the Bank of the United States at Philadelphia, during the month of February last only, to be \$726,000; and the amount redeemed, in 1831, during the same month, was only \$368,910.

same month, was only \$368,910.

In letter under date of the 26th of March last, to the chairman of the committee, the president of the bank says—
"that the amount of branch notes redeemed at the New York office during the year 1831, was \$13,219,635, and at Philadelphia \$5,398,800, making a total of \$18,618,435, with an increase of circulation between the 2d of February, 1831, and the 2d of January, 1832, of more than six millions of dellars, as per monthly statement, and decrease of its means, between the 2d of February, 1831, and 1st of April, 1832, to meet immediate demands, of more than twelve millions of the means of the property of the prope to meet immediate demands, of more than twelve mill

dollars, viz: In specie, funded debt, and notes of other banks, which, at first named date, amounted, as per monthly statements, to \$21,756,668 10 And the last to

9,640,000 00 \$12,115,668,10

Making, as just stated, a diminution in the active means immediately applied to the extinguishment of its debts, of considerably more than half of its former capacity, to effect

the same object.

With such an increase of issues, and the influence of a most powerful reaction new operating upon the fiscal ener-

dation of the committee, that the experiment be tried, and if found useful to the community, be permanently adopted." See Doc. 3. c.

The document marked 4, d, is a correspondence between

tons of notes, which it is impossible to supply." They therefore suggest that the "discount officers should be instructed to draw checks on the cashier of the bank for smaller sums than they have hitherto been in the habit of fur-

na some non they have bilierto been in the nabit of intribing. In order to save the labor of preparing such checks at the offices, as well for the greater security of the bank and the community, it has been deemed best to prepare the blank forms of which.

forms of uniform appearance, and to distribute them from the parent bank. Such forms have been accordingly revis-

ed, and are now submitted to the board with the recommen

to serve the interest of the bank." It then requests that

to serve the interest of the balance of the balance begiven to the parent bank to appoint one or more persons to sign notes of the smaller denomination, which

the President of the Bank and the Secretary of the Treasury, on the character of these bank drafts, which has already been printed and submitted to Congress.

The paper marked 5, E, contains instructions to the branch dy been printed and submitted to Congress.

The paper marked 5, E, contains instructions to the branch ing the grounds of these donations, on explanation having banks as to the issue of branch orders. On the 21st of A been particularly required of him.

And whenever they may be transiter between the offices, must be so noticed at the foot of the statement like other packag s."

On the 7th of January, 1831, a resolution passed the board to issue drafts of the denomination of twenty dollars.—These branch orders, when discharged by the parent bonk, are again re-issued by that benk when it has no small notes of its own. The paper narked 6 F, contains a statement of the amount of branch drafts issued, on hand, in circulation, and the offices from whence issued. By this table it will be perceived that \$10.731,635 have issued; \$3371,544 are on hand; and \$7,410,090 are in circulation.

The foregoing is a succint history of the issue of branch

The foregoing is a succint history of the issue of branch lrafts. Whether it can be justified under the charter of the ank, the committee will leave to the better judgment of Congress.

The third case is the selling coin, and particularly Ame

in annealized wante masses when the interfere is species, and there seems no reason why the bank should sell its utilion any more than its bills of exchange, at less than heir value." He then refers the committee to a correspondence, marked No. 4.

UNITED STATES, BARK.

TWENTY-SECOND CONGRESS.

lated.
2d. Whether there have been any circumstance of mis-nanagement against which future legislation might guard, or which should destroy us claim to further obedience.
On the first point, following the example of a former com-nitite, making a similar investigation, without expressing any opinion on such cases as have been subjects of imputa-

tion against the bank.

These cases they conceive to be six in number, and are 18th In relation to usury.

2d. In relation to the issuing of branch orders, as a cir-

24. The relation.

3d. The selling coin, and particularly American coin.

4th. The sale of stock obtained from Government under special acts of Congress.

5th. Making donations for roads and canals, and other ob-

TWENTY-SECOND CONGRESS.
FIRST SESSION.
HOUNE OF REPRENENTATIVES—March 14, 1832.
Resided, That a select committee be appointed to in pact the books, and to examine into the proceedings of the Bank of the United States, to report thereon, and to report whether the provisions of its charter have been violated or not; that the said committee have leave to meet in the city of Philadelphia, and shall make their final report on or before the twenty-first day of April next; that they shall have power to send for persons and papers, and to employ the requisite clerks, the expense of which shall be audited and allowed by the Committee of Accounts, and paid out of the contingent fund of the House.

If, however, the committee have taken a wrong view of this subject, so far as foreign coin is concerned, it seems by the statement of the president of the bank, to be virtually

The 4th case is, selling stock obtained from Government under special acts of Congress. They have thought it their duty to present the subject to the consideration of Congress.

gress.
It is necessary here to observe, that the charter must have intended some meaning in prohibiting the bank from dealing in stocks. There is, perhaps, no subject so fruitful in speculations as stocks, and none which is sofluctuating and liable in stocks. There is, perhaps, no subject so fruitful in speculations as stocks, and none which is softmentating and liable to be influenced by the slightest causes, often producing rain or immense fortunes in the most sudden manner. To prevent such a great moneyed institution then as the bank, from dealing in this article, which its vast means could raise and depress at piensure, seems to have been a wise provision in the charter. The right of the bank to acquire or sell stocks, is a special one: it must be done by virtue of a law of Congress. The charter itself provided that a part of its capital might be paid in the stock of the Government, and such stock, particularly, might be disposed of. But the committee suggests whether this will apply to other stocks obtained by virtue of a subsequent law of Congress, unless that law specially confers the power to dispose of it. In two important loans obtained from the Government since the charter was granted, the bank has parted with a valuable stock; and these cases will illustrate the point now submitted to Congress.—While the committee refer to the transactions of the bank in the funded debt of the United States, for the purpose above mentioned, they also have in view the presentation of the subject, to show not only the manner of disposing of that stock, but whether it was not contrary to the express understanding with the government at the time of obtaining the stock. 5th. Making donations for roads and canals, and other objects.

6th. Building houses to rent or sell, and erecting other structures in aid of that object.

On the first ground, the president of the bank refers us to a statement marked G, and says it will "explain the only cases to which this description might be considered application, two of them being cases in which the board repaid the amount considered over charged, and in regard to the third, no application has been made for any change in the form of the original loan." See said statement marked No. 1.

To a question asked the president, whether any cases of disgnised loans, and donestic bills of exchange, that in the chard nover heard of any, but made a further statement, marked No. 2. In which he states that the usual custom is to charge upon domestic bills of exchange, that it the state of exchange, the rate of interest and the rate of exchange, and if the sums united should exceed six percent, it is not usury; and gives an explanation in said state acti.

On the second ground, the committee will submit document Number 3, and its inclosures, in which the cause and origin of branch drafts will be fully excen. The president acti.

On the second ground, the committee will submit document Number 3, and its inclosures, in which the cause and origin of branch drafts will be fully excen. The president at an early period. In a year after its organization, the directors presented a memorial to Congress, dated 9th January, 1818, requesting that as alteration might be made to find the sum by part of the same year, sold of the \$5,000, the president of the same year, sold of the \$5,000, the first was not contrary to the contrary to the whole, against the bank; yet, the principle that it would be more advantageous to give it to individuals at a premium. This was confirmed at the Treatury. The President of the bank, in a letter date of exchange, the first president of the same of the same part on the distinct of or the same of of or president of the same of or the sam the directors presented a memorial to Congress, daten vir hamary, 1848, requesting that as alteration might be made in the charter so as to authorize the president and coshiers of the several branches, to sign the notes issued by those branch to the several branches, to sign the notes issued by those branch to the summation and the fact to incorporate the subscident that, imaximuch as the fact to incorporate the subscident that, incommute are not aware of there being any of server that, incommute are not aware of there being any of server that, incommute are not aware of there being any of server that, incompared the subscident factor of stated "that, inasmuch as the 'net to incorporate the subscabers to the Bank of the United States, requires that the
bills or notes which may be issued by order of the said corporation, shall be signed by the president and countersigned by the pracipal cashier, it has been found impracticable to suppply, in any reasonable degree, the
required circulation from the bank and its numer
ons offices of discount and deposite," it is therefore, asked of Congress to permit the presidents
and cashsiers of branch branks to sign and issue bills.—
The application was not granted. The president states
"the subject was resumed by another memorial, dated November 2th, 1820. See capy of the memorial marked 3,
6, in which it is stated, "under the charter it has been
doubted whether the bank has power to authorize the isuning of notes not signed by the president and countersigned
by the cashier. The labor and the time necessary to sign
zotes for the bank and all its branches, are much greater
from either of those officers can bestow upon that object;
and hence the bank has been unable to put in circulation a
sufficient amount of notes of the smaller denominations,
which the public most want, and which are best calculated
to serve the interest of the bank." It then requests that shows, that, between February, 1825, and February, 1832, the whole of the \$1,000,000 loan of 5 per conts. of 1821, has been disposed of at a premium of \$136, 789 25. The premium paid for which, at the time it was taken, was provided for in a semi-annual appropriation of \$60,000, in the report of the 1st of July, 1821, before adverted to. By these operations, it will be obviously perceived, that if the bank is allowed to sell stocks acquired by special agreements with the Government, it can secure, by special across self the advantage which the Government might possess, in putting up its loans to the highest bidder.—
It not only distors connection, but takes the loan of the Proof only destroys competition, but takes the form of the Government from other individuals, who would have given a premium for it, and which the Government rebuses, because it expects to derive a greater profit in another way, but in which it may be defeated, by an immediate sale of the loan, and which if the right to sell by the bank is ac the loan, and which it the right to sell by the bank is acknowledged, might have been made directly to those very individuals who had just offered a premium. In relation to the four millions loan of 5 per cents, of 1821, Mr. Cheves, in his report on the 1st Oct., 1822, says: "The four million loan of five per cents, are longer irredeemable than any other stock of the Government of the United States, and hence probably this stock is more valuable than any other stock of the United States." He also says, "the more the bank can retain of this stock, the better for the institution.

persons to sign notes of the smaller definitions was not acted upon.

The president states the "application was again renewed, and a select committee of the House of Representatives, reported in favor of allowing the appointment of signers, on the 27th of February, 1823; but there was no action of the Hause upon it." And he refers us to "pamphlet, vol. viii. the tigh credit of the Government, its stock is better that specie, and would be to the bank, in any emergency, pre The committee proceed to mention the 5th case, which is making donations for roads, canals, and other objects, the amount of whi h is \$4,620 CO, as will appear by document No.7. Two of the largest of these items, amounting to three thousand dollars, are for turnpike roads made, too

In the whole of which, the committee most fully concur for it may be mentioned with feelings of pride, that such is the righ exedit of the Government, its stock is better that

to three thousand dollars, are for turnpike roads made, too, after the General Government had declined to make appropriations for similar objects.\*

A question would maturally arise, whether the public funds in the bank, for that institution, is expressly founded upon the principle that it is necessary to, and constitutes a part of the Treasury of the United States, can be appropriated to objects indirectly, by the officers of that institution, when the Government directly refuses to expend its revenues on the very same objects. The committee have looked in vain for any authority in the charter to give away the money of stockholders. If the charter contains the powers by

construction upon the case.

By an extract from the minutes of the board of directors, communicated to the Senate on the 12th day of March last, the following facts appear, viz:

"The committee on the offices, to whom was, this day, referred a letter to the president, from George W. Jones,

\* The president furnished this statement without explain

note of Webh and Norh for \$15,000, loaned them on the 16th of December previously, and not due till June next, was paid off by two drafts from Webb, obtained at the United States Branch Bank at New York, accompanied with the following remarks, contained in a letter to the President of the Bank, dated New York.—
March 11th, 1832, and found in No. 9, viz: "Although the loans to us by the Bank of the United States are purely of a business character, and made upon statements showing the the necessity of the accommodation to our establishment, and of our ability to meet our payments, there can be no and of our ability to meet our payments, there can be no doubt but that the enemies of the bank, as also our politi-

n silver, 3d. The amount purchased since 1824, marked No. 23, shows: Of silver, Of silver, gold coin, gold bullion, 438.000 00 4th. The amount of specie sold since 1817, marked No. 24, shows it to be
Of which there was American gold, 64,734 44
British, French and Spanish, 48,221 35

5th. The amount of specie drawn fr th each of the southern and western offices, since 1820, to the Bank of the United tates and New York, marked No. 25, shows the otal amount to be \$22,523,337 91

By the foregoing statement, it appears that the bank purchased, between the 14th of October, 1831, and the 14th February, 1832 of T. Biddle and Co. foreign bills to the amount of \$1,794,000 79.

With regard to these large loans, the committee refer to the statement marked No. 19, by which it appears that on the 9th of April, 1832, the total amount of discounts on bills and notes at the back in Philadelphia, was \$7,939,679 52. Of the statement market that the traction was \$7,939,679 52.

of Representatives. A statement of the same was called to narked No. 20, which exhibits a list of stocks pledged, con

The various transactions in specie, by the bank, has been a subject of special notice by the Committee, and various statements called for, show the magnitude of them The first statement, No. 21 shows the anount of ported by the Bank of the United States, during the To London, in Mexican coin, To Paris, in Mexican coin, \$620,000 To Paris, in Gold, 247,000

1.047.030.00 2d. The amount of specie exported since 1819, will be found in the statement No. 22.

To England
To France,

2,598,357 00 \$4,855,755 50 3,387,927 50 Of this amount, there was in cold,

93,291 35 5,051,884 50

gus of the country, as is exhibited by the difference of the retemption of branch notes at the periods and places above mentioned, together with such a reduction of its means, to

mentioned, together with such a reduction of its means, to meet its engagements, must, we fear, compel them still further to outrail their accommodations.

It is evident, from the circulars addressed to the branches and correspondence with them since October last, that the chief object of the bank has been to sustain itself—the statements accompanying this report, clearly proving that the bank has not increased its facilities to the trading community, in any part of the Union.

The Bank of the United States, among other conditions of its churter, is bound to make collections of the public revenue, to transfer the same, or any part thereof, from one point to another, that may be required; and to make any and all payments for the account of the government, whe

venue, to transfer the same, or any part meets, not on make any point to another, that may be required; and to make any and all payments for the account of the government, whe there for principal, interest, civil list, army, navy, pensions, v other purpose whatever, free of all and any

For performing this duty, the bank has claimed, and For performing this duty, the bank has dutined, and has received from the Treasury department, and the country generally, for some years past, merit to an extent that could not have been surpassed, even if all those services it performs were gratuitous. This and other circumstances have led the committee to an investigation of the subject, as far as the limited time would allow, before closing their labors, to see how far the bank is entitled to the credit bestowed upon it, and to what extent the bank has aided the government in its fiscal operations beyond the obligation imposed in obedience to its charter.

The government in its collections through the Bank of the

The government in its collections through the Bank of the United States, receives nothing but specie, or notes of the Bank of the United States, and makes its payments in nothing else. If the notes of State banks are received by the bank in place of its own, it is a private matter between such banks and the Bank of the United States, and one with which the government does not concern itself; and it is to be presumed that the Bank of the United States is too watchful and visibility, in the soutestion of its own integers, and to see ecie or its equivalent, or its own notes, in exchange, and ereby be provided with a fund from the collection of the

ports, as is universally known, is collected in the Atlantic cities, north of the Potornac. Those cities being the great marts of supply to nearly the whole of the United States, marts of supply to nearly the whole of the United States, and places to which remittances centre from almost every part of the country, creates a demand for finds upon them, from nearly every quarter, constantly, and generally at a pretaium. Therefore, so far as the bank is called upon to transfer fends from those cities to other places, it becomes a nighter of profit, and not of expense to it, and the greater the distance, the greater the premium; and the larger the amount thus required to be transferred by the government, and the greater the distance, the greater the profit and administration to the larger the distance, the greater the profit and administration to the larger the distance, the greater the profit and administration to the larger the distance, the greater the profit and administration to the larger the distance, the greater the profit and administration to the larger the distance, the greater the profit and administration that the larger the distance, the greater the profit and administration that the larger the distance is the larger the distance.

and the greater the distance, the greater the profit and advantage to the bank.

That the bank has aided the Government thus far, the committee are unable to discover, or that they are under a loss to imagine. How far the bank has aided the Government in his fiscal operations, as it claims to have done, will be seen by a commenciation from the president of the bank to this committee, hereafter adverted to in another part of this report; and also in a report of the committee of the stockholders, at the triennial meeting on the 1st of September, 1831, in the following words: "That the bank, through the whole course of its operations, has effectually assisted the Treasury in the collection and distribution of the public travenue and that, of late years, it has been signally efficient d that, of late years, it has been signally efficient

rinciples the foregoing declaration is made. By referring the correspondence, in 1819, between the then president the bank and the then Secretary of the Treasuary, the annuitre discovers that the bank was then applying to the sury Department to aid it in its operations, and was re-On the 20th March, 1819, the president of the bank clo

On the 20th March, 1819, the president of the bank closes a communication to the Socretary, Mr. Crawford, thus: "I have ventured to trouble you with those views with the hope that you will pardon the liberty, and with the conviction that if you can serve this institution in any of them which you shall deem consistent with the public good, you will feel a pleasure in doing so." The Secretary of the Treasury, in closing his answer, under date of the 27th of March, 1819, says, "every facility which it is in the power of this department to afford the bank, in its efforts to support specie asymptote, and restore the currency to a natural state. ie payments, and restore the currency to a natural state

By a reference to a statement of the public deposites in the Bank of the United States each month, from March, 1818, to March 1832, inclusive, marked No. 37, it will be March, 1832, there has been only one period, (November then the public deposites did not exceed four million of dollars, in the hunds of the bank, and they frequently a nonsited to eight, nine, ten, and eleven; and on one occa on to twelve millions of dollars.

sion to twelve millions of dollars.

By relevence to document marked No. 38, it will be found
that since the month of March, 1324, at all the different periads innucliately following the redemption by the Government of portions of its funded debt, there is no one time when the bank was not left with more than one million and a half of dollars of public deposites; in many instances with four and five millions, which sums were, immediately after, increasing by the constant accumulated collection of the public revenue.

public revenue.

ae bank, as it collects the revenue, knows, or ought
know, that it will be called upon by the government to
aburse it, and in all cases of redemption of the funded
it, three months notice is given by the 'Ticasary of such
cation. With such notice, and with proper management the part of the bank, the committee cannot see that eithe

account of the Government; and as they gra circulates it among the community

ngain circulates it among the community.

The operation, as thus described, appears to the committee too plain and simple to require any further illustration; and it the principle is sound, and has been acted upon by the bank, they cannot discover in what manner the opera the baths, they cannot be touched, are the value of pecuniary investments have been effected by the

value of pecuniary investments have been effected by the payment of the public debt by the Government.
But if the bank has, as the public revenue has accumulated to the credit of the Treasury Department, gone on discounting upon it, or loaning it out, disregarding the period when they would be called upon to reimburse it, the committee can readily perceive that, when that order arrived, they would be found not only delicient in preparation, but in a state of surprise, and that the payments would first emberrass the bank, and then lead it to press and embarrass the commercial community. commercial community.

From the observations made, and the examination of

documents during the course of this investigation, the committee have strong reason to apprehend that the course pursued by the bank has been upon this latter principle. If so,

the bank has incurred a high responsibility.

The committee believing the subject of the late postponement of a portion of the 3 per cent, stocks, intended, as they understood, to have been paid on the 1st 3 July by the government, to be within the prevince of their inquiries; and believing, also, that it had a strong connection with the present state and situation of the affairs of the sank, and for the content of a combining them to form a correct and true continue. sent state and situation of the affairs of the bank, and for the purpose of enabling them to form a correct and true opinion upon that subject, they made a call upon the President of the Braik for the correspondence in relation to the post-ponement of that payment in the following words:—
Will you please give a copy of the correspondence connected with your application in March last, requesting a suspension by the Government of the payment of a portion of its dent intended to have been made on the 1st July next, or a statement of the arrangement made in relation to that subject. Which correspondence was communicated by the president of the bank, with the following remarks: "I have made no application to the Government, nor have I requested byte supposed only suspension of the payment of any portion of public debt."

The inquiry, I suppose, relates to this circumsiance, received a letter from the acting Secretary of the Treasury duted the 24th March, 1832, informing me that Government

"The inquiry, I suppose, relates to this circumsiance, 'I received a letter from the acting Secretary of the Treasury, dated the 24th March, 1832, informing me that Government was about to issue a totice on the 1st of April, of their intention to pay, on the 1st of July next, one half the three per cent, stock, and to do it by paying it to each stockholder one half the amount of his certificate.' He added,

'If any objection occurs to you either as to the amount of mode of payment, I will thank you to suggest it.'

'Thus invited by the Government to a communication marked recorded with the Government to a communication marked recorded with the green was to the amount of mode of payments.'

'Thus invited by the Government to a communication marked recorded with the Government, I felt in y duty to express my views in a probable operation; in my reply, therefore, dated 29th of March, I stated "that so favas the bank is concerned no objection occurs to me, it being sufficient that the Government has the necessary amount of funds in the bank to make the contemplated payments.' I then proceeded to observe, that in the green situation of the commercial community, and with a very large mount of revenue, (amounting to nine millions,) to be paid before the 1st of July, the observed the Government what require all the forbearsnee, and all the aid that could be green them: and that the payment proposed by creating a demand for the reminiance of several millions of dollars to European stockholders, would tend to diminish the usual facilities efforted to the dobrors of the Government, and might only any action of the concentration of the Government, and might on the payment for the Government, and might on the solidar of the Government to docide. On the part of the bank, I sough unduly my duty in giving the opinion asked, I left it, of course, to the Government to docide. On the part of the bank, I sough would not be so acceptable as if his windle han were repaid at once.

'Having thus performed my duty in giving the opinion

as such will be the demands which it will be called upon to over, that it will require the aid of all the accumulated collec-tions for the Government, to sustain itself. The committee are

community.

The committee are unable to discover in what manner the bank could afford aid to the Government, in carrying into effect the measure they proposed, which the president of the bank, it his remarks, speaks of baving proferred to them. All that the Government could ask of the bank on the list of July, or at any

In a letter to the Secretary of the Treasury, from the pressor of the bank, dated the 29th March, 1832, marked No. 40, is the following:

"Owing to a variety of causes, but mainly to the great amount of duties payable for te last few months, there has been a pressure upon the mercantile classes, who have been obliged to the Government. That pressure still continues, and it may be prolonged by the same cause—the amount of duties still payable during the next three months. This state of things seems to recommend all the forbearance and indulgence to the debtors which can be safely conceded. The inconvenience, then, of the proposed measure is, that the re-payment of six or seven millions of dollars, more than balf of which is held in Europe may create a demand for the remutance of these funds, which would operate injuriously on the community, and, by abridging the facilities which the debtors of the Government are in the labit of ceeting from the bank, may endanger the punctual payment of the revenue, as the bank would necessarily be obliged to commence early its preparations for the reimbursement of so large an amount of public debt.

"My impression, therefore, is that, with a view to the safe and punctual payment of the public revenue, the Government would be benefitted by postponing the proposed payment of the public debt.

"My impression, therefore, is that, with a view to the safe and punctual payment of the public revenue, the Government would be benefitted by postponing the proposed payment of the public debt to another quarter, by which time the country will sustain less inconvenience from demands on foreign account." The committee are obliged to dissent from the views expressed by the president in the foregoing extract. The committee committee their payment of the Bank of the United States in Publishelpinia, and the offices in Baltimore, New York, and Boston, the four principal places where bonds are pay-

mercial community.

That this pressure will continue for some time to come, the committee fear; for the expansion has been sogreat, that the contraction which is now in operation cannet, in the opinion of the committee, be effectually checked or controlled, without a necessary curtailment of discounts.

If the frank possessed the ability to sustain itself without curtailing its discounts, the revenue falling due the present quarter might be collected, and facilities granted during the time, upon the principle before pointed out, to the commercial community, and disbursed again by the Government, without any inconvenience being caused by the operation. But such ability, the committee are well satisfied the bank does not possesse, nor can it at present command. Besides the diminished means of the bank previously alluded to, through the loss of five millions of its specie, its foreign exchange and other resources, one of the feet difficulties under which it now labors, in paying the public debt, is its being compelle to receive the public revenue, in the Atlantic ports, in a currency, to wit, branch notes and drafts of the western offices, not promptly convertible, and to pay the public debt in current money.

Without a large abridgement of the usual accommodations, which will, of course, greatly distress the community, the committee are under the strongest conviction that it will be little better able to meet the pressure the Government payments will cause, on the ist of October, than they would have been in the list of April. 1819, to the president of the bank, the committee con-

paid at that port, amounted to between nine and ten millions of dollars.

The committee in order to ascertain the precise manner in which the annual election of directors has been conducted, called at an early period of the investigation, for the following document, viz: "A statement of the number of votes given it each annual election of directors since that of 1823, the whole number of votes given by praxy, and in the latter case, by whom," which statement was not furnished the committee, but the statement, marked No. 41, was furnished. This shows the whole number of proxies to be 4,533, of which the president holds, exclusively, 1,336, and as a trustee in conjunction with others, 1,634, which gives him, without intending to impugn the exercise of the power, decidedly a preponderating control in the election of directors, a power which was never contemplated by the charter; so far from t, that instrument, as well as subsequent laws passed by Congress, have studiously endeavored is prevent the very mischief which this accumulation of praxies in the hands of one person is most obviously calculated to produce. The charter has limited the votes of he largest stockholder, no matter what may be the number of shares, to the number of thirty, clearly with a viow to prevent the whole affairs of the bank from fulling into the hands of a few individuals. It is too powerful an engine to be controlled by one man alone, and this taust be apparent testeg good sense of every one; yet, notwithstanding this restriction, by the use of proxies, individuals, with little or no immediate interest, can perform what those possessing a direct and deep interest are prohibited frem doing. Connected with this subject there is one which nughine to go minoticed. The charter positively requires twenty-live directors: for some vears pinst, as appenrs by the list of directors, marked No. 42, there have been but twenty four. The president of the bank holding the appointment from the povernment and the stockhelders at the some time.

The commit

1817, the year in which the bank was established, and went into eperation, and consequently a greater expense was incurred; the expense for printing was \$3,226 15.

What circumstances occurred or existed during the years 1836, 32, to require such an unusual increase in this branch of expense over the preceding years, in the ordinary course of its business, the committee have been unable to discover, though they called for the accounts under this head of expenditure, but have not yet received them. In the same document is contained the same paid to "autorneys," annually, since the establishment of the bank. This subject, ewing to their limited time, time, the coronitice were unable to investigate. Fufficient, however, came to their knowledge, to justify the belief that the sums returned as having been paid to "autorneys," embrace only what was paid to them in that distinct character; that the sums paid to solicitors and counsellors for the bank are not in the amount given.

only what was paid to them in that distinct exametor; that the stuns paid to solicitors and counsellors for the bank are not in the amount given.

The committee addressed the following inquiry to the president of the bank, believing that it involved a fact which will be useful to Congress in its future legislation on the subject of of its charter.

"Did Mr. Elisworth, or any one else of the State of Connecticut, as assessors of taxes of that State, write to request you to give him a list of stockholders belonging to that State, for the purpose of taxing them according to a law thereof?"

The president replied: "In December, 1829, Henry L. Elisworth, of Hartford, in Connecticut, addressed a letter to mo, requesting to be furnished with a list of the stockholders of the bank residing in Connecticut, for the purpose of taxing the stock. The request was declined, for reasons which will appear in the correspondence hereinto annexed;" to which the committee refer, marked No 43.

The committee, in calling for various statements, have collected a number of useful documents, not referable to any particular head, but as containing a mass of useful information, they present them to the House, subject to their future order, and, if found necessary, to be appended to this report, when it, togother with the papers to which it refers, shall be published.

The majority of the committee feel authorised to state that they have not been able to give even the parent bank that investigation which its extensive operations deserve, much less the branches—in some of which there have been subjects of complaint, but which they have been compelled to abandoned for the want of time.

The committee that investigated the affairs of the bank in \$190, when it had been but two years in operation, with its bust

the want of time.

The committee that investigated the affairs of the bank in 1810, when it had been but two years in operation, with its business much less extended than at present, were ergaged, as it would seem from the records of that day, from the 30th of November to the 16th of Jahuary, before they reported, and then they had not made as thorough an examination as the transactions of the institution seemed to require. At the present time, with a greatly enlarged business of 16 years accumulation, and twenty-five branches, whose operations have been charged with signal instances of arregularity, the bank requires a nuch more minute examination than the committee have been able to give it.

There have been many statements called for which the busi ness of the bank and the shortness of the time allowed for the investigation, would not admit to be furnished. The committee were particularly desirous of ascertaining how far the paymen of the public debt, and throughout the whole term of the exist once of the bank, affected its operations, and called for all thresolutions and correspondence, relating to that subject since resolutions and correspondence relating to that suggest small 1817, but have only received such as related to the three per cen loan, and the circular of the 7th of October last.

On the subject of breche payments, domestic and foreign exchange, investments in public debt, by the bank, in 1824 and 1825, and its ability to make loans to the Government—the influence of the operations of the bank upon trade—on the increase of the paper circulation of the bank.—Its agency in diminishing or enlarging the circulation of local banks, and the means of permanently regulating our general circulation, so as to prevents its injurious effects upon the trade and currency of the country; all matters of vital importance in the reorganization of the bank; concerning which, the committee submitted a number of inquiries to the president of the bank, who has not been able from the press of other indispensable duties, to answer.

ion of re charter in a surface to the public debt shall have been adjusted to the mof our federal expenditures. HOUSE OF REPRESENTATIVES.

Monday, April 30. Mr. CLAYTON asked leave to make a report in relation the Bank of the United States.

Mr. Hubbard objected—but afterwards withdrew his bjection.
Mr. CLAYTON then presented his report, and moved that

Mr. CLAYTON then presented his report, and moved that it be referred to the committee of the whole on the state of the Union, and printed.

Mr. McDuffile said he felt bound to make one or two remarks in explanation of the doctrines of the Report, before the question was taken. In justification of this course he would remark, that this investigation of the committee extended over a great deal of ground, and touched upon a great variety of topics, some of them highly important. The Report, said he, is voluminous, and the committee did not finally agree upon the form in which it should be presented until this morning. The minority of the committee has in consequence had no opportunity of presenting their views is relation to some interesting questions adverted to and disconsequence may no protein or presenting the relation to some interesting questions adverted to and discussed in this document. I shall be very brief, however, in the remarks I propose to make, and will barely state distinctly the opinions of the minority, on the points in which it dissents from the majority. The attention of the committee, ly the opinions of the minority, on the points in which it dissents from the majority. The attention of the committee, it would be recollected, had been directed to a great many specifications of abuse, by the gentleman from Georgia, (Mr. CLAYTON) when he first proposed this inquiry. Many of these had turned out to be trivial, on examination, and had been permitted to pass away without notice. The committee have selected in the Report those only, which, in the opinion of the majority, deserved the particular attention of Congress. As to the charges of taking maintons interest, and of issuing branch drafts, I have nothing to remark, since they have been fully discussed heretofore, and since no new disclosures have been obtained in relation to the charter of the bank are raised in the report, which I feel bound to notice. Some general calls for information had been made for information had been tee have made the subject of speculative conjecture, and have intimated doubts whether some of the practices disclosed are not against the spirit of the charter. In the absonce of the explanations which would no doubt have been satisfactory, if it had been intimated that these practices were deemed irregular by the Committee, I present such views as now occur to me. The Report refers, naming others, to the practice of buying and selling again. In relation views as now occur to me. The Report refers, among others, to the practice of buying and selling coin. In relation to this practice the President did give an explanation, so far si regarded foreign coin. The Report scens to imply that such dealing is not authorized by the charter. By the charter, the Bank is expressly authorized to deal in bullion. The opinion of eminent counsel was obtained by the Bank on this question, and it was that foreign coin was included under the term "bullion." That, indeed, is the usual form in which bullion is received in this constry. Upon this mere legal question, somewhat technical in its characform in which bullion is received in this constry. Open this mere legal question, somewhat technical in its character, I will make no further remark. A portion of the Committee seem to entertain the opinion that the Fank has been in the habit of dealing in American coin, without any authority from the charter. I believe they are mistaken in this matter in point of fact. The Bank was called upon to state what amount of coin it had purchased and sold, and in presenting the tabular statement, there is a column stating n presenting the tabular statement, there is a colum stating that it can, with no propriety of language, be denominated a dealing in American coin. Under the tender laws of the United States, the legal value of gold and silver does not correspond with the intrinsic value. By these laws an onnee of gold is estimated to be worth only fifteen ounces of silver does not consider the control of the c ver, whereas the real market value of gold is sixteen times

as great as that of silver.

Now, no one will dispute the right of the bank to receive its debts in American gold, and much less its right, and indeed its obligation, to allow for this gold what it is really deed is obligation, to allow for this gold what it is really worth. In like manner, no one can dispute the right of the bank to pay its debts in American gold, nor its censequent right of receiving for this gold what it is really worth. This surely cannot be denominated a dealing in coin, any further than unavoidably results from having pecuniary transactions, and using money. The very object for which the bank was created, was to deal in money, and it is a strange idea, that no such power exists because it is not expressly given in the charter. The power to deal in bullion was given expressly, only because it was not implied in the very najority of the Committee, as to the right of the bank to sell the government stock, for which it subscribed, under the express authority of Congress. Nothing can be more self-evident, in my judgment, than the right of the bank to sell the stock which nuthorized the bank to subscribe for this stock necessarily conveyed the right to sell it; as much as the authority to hold land conveys the right to sell it. It is essentially involved in the elementary notion of property. One cannot be said to have a property in that which he cannot use as he pleases, in all modes not prohibited by law. To deny the right of the bank to sell its stock, would be to deny it the right of making use of its own property. The

eat great emergencies in the money market, which no other investment can furnish. The condition of the con-mercial community, and of the banks, would have been ut-terly disastrous in 1825, if the bank had not sold the govern-ment stocks for which it had subscribed in 1824. Every one must remember the memorable panic of 1825, produced y probably one of the greatest revulsions in commerce the oy prominy one of the greatest revisions in cannicize the world has ever witnessed. It may now be adverted to, as furnishing the most triumphant proof of the utility of the bank of the United States, and of the admirable state of soundness and security to which it has brought the banking soundness and security to which the bright its well known that most of the country. At that period it is well known that most of the country banks in England failed, and that the bank of England itself, an institution which has stood unmoved for more than a century, amidst political revolutions and commercial revulsions, was on the very brink of One of the most philosophical of the English writer failure. One of the most philosophical of the Linguist ters on subjects of this sort, states that it was a providential circumstance alone that saved that bank from stopping paycircumstance alone that saved that bank from stopping pay-ment. There can be no higher culogium pronounced on the management of the bank of the United States, then to state that in the fact, that during the period of general consternation and disaster in the commercial world, not a single bank in the United States failed that had been considered solvent. It was by the sale of these government stocks, of which a portion of the committee have thought proper to complain, and this alone, that the Bank of the United States was enaoled to throw some ten or fifteen millions of capital into the nctive operations of the bank, in the form of discounts, and thus save the banks from failure, and the commercial com-

munity from general bankruptcy and ruin.

And here I will advert to a circumstance which deserves to be recorded, as an illustration of the judicious adminis-tration of the Bank. The Chairman of the Select Commit-tee asked the President to state the circumstances of a se-cret visit made by him to New York, in 1825, and whether twas not the object of that visit to obtain some aid for the Bank to save it from failure. This question has not yet been formally answered by the President. He stated that he visited New York on the occasion referred to, not for the purpose of obtaining aid, but of granting it. The distress of the country had reached a crisis, and the panic was so great that a single indication of fear, on the part of the Bank would probably have produced a scene of general distress and bankruptey. If the Bank had attempted to save itself from danger by a cold and selfish policy, and commenced from danger by a cold and selfish policy, and commenced curtailing its discounts, no one can calculate the consequences. But the President pursued the very opposite policy, and the result proved that, in periods of great danger, true moral courage is the best source of security. Instead of obeying the instincts of fear, and ordering a curtailment of discounts, the President acted upon the higher iripulse, and directed the Branch at New York to extend its discounts freely, and relieve the community. This was promptly done, and, as soon as it was accortained, public confidence was restored, and the panic ceased. On such occasions as these, the smallest circumstance often produces the most important results; and have not a doubt but that this hold and decisive, but judicious proceeding, on the part of Mr. important results; and I have not a doubt but that this bold and decisive, but judicious proceeding, on the part of Mr. Biddle, saved the country from the greatest disasters. If the Bank had pursued an opposite course; if, regarding its own-security merely, it had held on to its government stocks, and curtailed its discounts, it would have deserved the universal execution of the country.

The committee inquired concerning donations to road companies, and the opinion is expressed in the report, that such donations were made without any authority in the charter. On the naked question ofinaking gratuitous donations, I should not hesitate to say that the Directors would commit a great breach upon the rights of the stockholders, if they made any such donations.

f they made any such donations.

But it would have been monstrous. The Bank owned a

But it would have neen monstrous. I do hank owned a large amount of real estate in Ohio, for the improvement of which two small appropriations of 1500 dollars each were made. These lands were in the vicinity of the Bank: and the Bank as proprietor had an interest at stake to ten times the amount. Nothing could be clearer than the right of the the amount. Nothing could be clearer than the right of the Bank to make such an appropriation; it was a wise and proper application of its funds. If he was one of the stackholders he should certainly think it wise to pay 3,000 dollars in aid of a work of improvement which added 9 or 10,000 dollars to the value of his property. Mr. M'D. had understood from various sources that the improvements were undertaken for the object he had stated. There was another room to referred to in the Report in relation to which he would Bank to make such an appropriation; if was a wise and proper application of its funds. If he was one of the stock-holders he should certainly think it wise to pay 3,000 dollars in aid of a work of improvement which added 9 or 10,000 dollars to the value of his property. Mr. M'D. had undertaken for the object he had stated. There was another topic referred to in the Report, is relation to which he would offer a single remark. The Committee advarted to the fact of the nulliplication of its branches by the Bank within the last four or five years; and their language seemed to convey the idea that this policy was not a wise one, as respected either the commercial community or the Bank itself. Now he was so far from holding this opinion that he

should wore against any National Bank if it could not extend its branches as the growth of the country should call for them. He should not regard any Bank as a National Bank as a National Bank as a National Residue of the state of the should not regard for a country in the state of the should not regard to the state of the should not regard to the state of the state of the should not regard to the state of the should not regard to the state of the should not require the same state of the should not require the same state of the should not require the same state of without extending its Branches through all parts of the Union wherever they may be needed. He regarded it as the very excellence of the Institution and its highest praise that it was extended into all parts of the Union, possessing a sort of omnipresence throughout the commercial community.

By this means it was that the Bank had restored the current by this means it was that the bank had restored the currey of of the country to a sound condition, and has preserved it in a state of soundness: which it never could do without hav-itention of the House to the system of exchanges as now con-ducted by the Bank.

—as a Southern man, he should not hesitate to say that this was one of the most beneficial of all the operations of the Bank. He would not ask a better exposition of the true federal character of the institution than this very operation of buying and selling of exchange. On examining the accounts of the Bank, the House would, indeed, find a large amount of specie drawn from the West and South; but they would also find that almost all of it came from New Orleans. Now every body knew that New Orleans was the great specie market of the United States. The whole returns of the South American trade came to New Orleans in the form of specie. The bank transported this specie at less than half the price it would cost the owner to transport it. A citizen of Louisiana, for example, wished to pay a debt in New York, and the bank transmitted the specie to meet it. The of Louisiana, for example, wished to pay a debt in New-York, and the bank transmitted the specie to meet it. The whole matter amounted to this: that the bank, through its system of exchange, effected the object at a cheaper rate than any private individual could do. But it was not correct to affirm that the northern branches had drawn largely from the branches at the West, for they would find on the books of the bank a credit to the Western branches to two or three times the amount of specie drawn from them: the bank had drawn 100,000 dollars in specie, yet it had also honored drafts from those branches to three and four times that amount. This was the operation of these drafts and checks veich had been so warmly censured.

M. McD. said he would add a word or two upon another typic. The President of the Bank had adverted to the practice of the Bank in selling bils of exchange on London having twelve months to run, to answer the demands of American merchants engaged in the East India trade.

This he said, was one means of preventing the effects of the

American merchants engaged in the East India trade.—This he said, was one means of preventing the effects of the drain of specie formerly occasioned by this trade. A majority of the Committee had expressed an opinion that this operation was injurious to the country. Mr. McD. said he would exprinin the true practical effect of this operation. According to the old usages of the East India Trade, the merchant about to engage in a voyage, purchased specie, and exported it tomake his purchases abroad. Owing to the length of the voyage, this specie was purchased seven months before it could be used; so that the merchant lost the interest during that period. The effect was, that the whole country suffered the loss of interest on the whole capital embefore it could be used; so that the merchant lost the in-terest during that period. The effect was, that the whole country suffered the loss of interest on the whole capital em-played in the East India trade during the whole length of the voyage. By substituting gold, this result was produced. When a merchant-wished to embark in a voyage to Canton, the Bank sold him a bill on London at six months sight, (and which would not be paid till about twelve months af-ter date.) The Bank charged him no interest for the first 'x months before the bills were presented. The conse-quence was, that the bills on the bank of London were worth more than specie itself, for the merchant thus accomplished fore than specie itself, for the merchant thus accomplished all he desired, and during six months had to pay no interest. The East India trade, thus managed, did not produce that perpetual draft of specie which had formerly attended it.— A majority of the Committee said that no real difference was A majority of the Communes and majority of the specie was only sent to Landon, instead of being sent to China or Hindostan. It was very true that the bill on Landon had to be paid, but they were not paid in specie; they were paid in the products of the Southern States; and here a new market was openof the Southern States; and here a new market was opened to Southern industry. The merchant purchased cotton goods in Liverpool, which, owing to the Tariff'or some other cause, he could not sell in the United States, but which were well adapted to the East Isdia market; se that, in fact, the bills were exchanged for cotton, not for specie.—Thus much for the outery about bills of exchange, an operation more really beneficial to the nation than almost any other that could be named.

other that could be named.

He was sorry that his duty obliged him to add a few remarks on a topic introduced in the conclusion of the Report, remarks which could do no good, and which might do much mischief. He knew that the Committee had no such view or intention, nor did he think they were themselves fully aware of the impression there conveyed. The gagements, or at least, not without producing a greet and injurious presure on the commercial community. Mr. McD. said that he was content to risk reputation, what little of it he might have, that there was not in the United States or upon the face of the earth, a Bank (if the old Bank of Hanburg did not still exist,) that was more adequate to meet all its engagements, and that without any distressing call upon the commutity. The Committee had confined their view to the specie in the vaults of the Bank, and to the State Bank bills it held. Now it was true that the amount of specie, added to the debts of the State Banks to the Institution, amounted only to ten and a half millions, while the bills of their circulation amounted to twenty-one millions and a small fraction.—
Now its circulation being twenty one millions, be would amounted to twenty-one millions and a small fraction.—
Now its circulation being twenty-one millions, he would
enquire what were the resources of the Bank to meet it?—
They consisted of seven millions of dollars in specie, two
millions eight hundred thousand dollars in bills of State
Banks, and seven hundred and fifty thousand dollars, in
what was denominated the Reserved Fund: making in all
eleven million five hundred and fifty thousand dollars in
cash, in the waults of the Bank, which could be paid at any
moment. Its bills, then, amounted to twenty one millions,
and the cash in its vaults to eleven and a half millions, a
larger portion than existed in any other Bank in the country. much specie. It consisted of the drafts, furnished as bills of exchange; these amounted to twenty-one millions. It was the business of the Bank to deal in evchange, and this formed no part of the discount system at all. The Bank bought consists in its prompt convertibility into money; and in the bills of merchants in New Orleans payable at New-York, and which were based upon transactions in the produce of the most safe and beneficial investments a bank can make. It furnishes a resource the South and the manufactures of the North. When a merchant in New Orleans sold the Bank a bill at 90 merchant in New Orleans soid the bank a bill at 40 days, it was not considered as accommodation paper—because the drawce paid the bill when due: he did not expect any accommodation: whereas accommodation paper was always (in whole or in part) renewed. The Bank, he added, could afford to do this business in exchange, without restraining its discounts. To be sure, if the Bank should not buy any other bills, the merchant in New Orleans are the state of the transition of the state of the transition of the state of the transition of the state of the teans would not be able to buy bills so cheap here as he could there.

The Bank, then, had twenty millions in drafts to meet The Bank, then, and twenty mittens in trains to meet its twenty-one millions in notes, besides the eleven and a half millions of cash in its vaults. If there should be a run upon the Bank, intended to break the institution, Mr. McD. fearlessly expressed his opinion that before the bills could get into the Bank, the Bank would not only be able to meet them, but could do it and have ten millions

over; and this without calling in any part of the 44 million of discounts with which it aided the commercial communi-ty. Mr. McD hoped that no comparison instituted by the Committee in its report, would induce the belief that the Bank was not abundantly competent to meet all its engagements. ments.
The committee had also adverted to the fact that the bank of the United States had agreed with the Government to pay interest on the 3 per conts, for the next quarter, on condition that the Government would not pay off the stock in The imputation founded on this fact should, he said July. The imputation founded on this fact should, he said, be explained, as the subject had given rise to many very singular runeors. Every body knew that the President of the Bank, soon after the Committee arrived in Philadelphia, had visited this city. His journey had occasioned many enrious runnors as well there as here. It had been stated, arrong other things, that the Bank Committee had discovered great frauds on the part of the President, in consequence of which he had absconded, and lay concealed in Washington.

ngton.
Mr. McD. would briefly explain the transaction which had occasioned all these surmises and suspicions. The acting Secretary of the Treasury had informed the President of Secretary of the Treasury had informed the President of the Bank, that the Government contemplated to pay off, in July next, six millions of the three per cent stock, and had asked whether the Bank had any objection to the measure. As the proposed payment would causegreat pressure from the inmediate expertation of so many millions of specie, the President of the Bank, and the Board of Directors, with that provident regard for the interests of the community which had over marked their course, and which so justly extilled them to the artitude and confidence of the course. entitled them to the gratitude and confidence of the committy, looked at the effects which must follow: they saw and knew, that if the Government should go into such an operation immediately, it would produce a pressure upon the mercantile world that could not but issue in immense allures among the debtors of Government, as well as others Sine millions of Government funds would fall due at New Y, before the close of the next quarter. It was therefore obvious that the Government would, in all probability, lose more by failures of its debtors than it could save in the interest of the stock. The Bank, then, acting in that spirit of the stock. solicitude which it had always shown for the safety and presperity of the commercial community, proposed to Government to defor the operation: and as the Bank would have the use of the money in the mean while, to pay the interest. The Bank had no selfish interest in this proposal. It possessed ample resources to meet the demand. The only offect of doing so would have been to call in some of its discourse. counts.

Mr. McD. would conclude his remarks on the subject

Mr. McD. would conclude his remarks on the subject of the Stocks by a few explanations in reference to a question which had been proposed here; and which had produced in his mind a degree of excitement which some gendeman supposed to be uncalled for. One of the charges of the gentleman from Georgia against the Directors of the Bank had been, that they were in the habit of dealing as stockjobbers in the Public Stocks of the Government. Mr. McD. had stated at the time, that if that charge was true, it fixed a stigma on the reputation of those gentlemen, which was not Jightly to be removed. Well, and how did the fact turn out? The explanation would lead to the statement of another very extraordinary transaction. The bank

Mr. McD. concluded by observing, that he should reserve any farther observations until the Report itself should appear.

Mr CLAYTON addressed the House in reply. He considered the course pursued by the gentleman from South Carolina as very extraordinary. Perhaps it might be very correct and in order, though he could hardly conceive how that could be the case. If, however, the remarks of the gentleman were intended to break the force of the report, which seemed to be his object in making them, he must beg the members of the House to suspend their opinion until they should have had an opportunity of reading the report itself. That the, report should be an swered by an argument, before it had been read, was calculated to deprive it of that credit it might be entitled to the deprive it of that credit it might be entitled to the flouse, while they remained without a knowledge of the facts and reasonings contained in the report, that have been intended to countereact the force of those facts when they should appear. He had much rather that the gentleman should have made a counter report—that, he had expected—but if this course should be pursued by the minority was heard, how futile must it be to refer any subject to a Committee of the House. In asking the members of the House to suspend their own views before the report of the majority was heard, how futile must it be to refer any subject to a Committee of the House. In asking the members of the House, he should make some brief reply to the observations which had been addressed to the House.

Mr. Aman saked lave to response for a formal many protreated course of the facts must, of its members, he should make some brief reply to the observations which had been addressed to the House.

And in the first place, as to the charge of dealing in coin, the committee had not entered into any protreated course of reasoning, because they had believed that a simple statement of the House. As the indugence of the report, had been underly the bank shed counted to take the induced w And in the first place, as to the charge of dealing in coin, the committee had not entered into any protracted course of reasoning, because they had believed that a simple statement of the facts must, of itself, convince every one. That they had expressed no opinion on those cases which were alleged to be a violation of the charter, and in but few parts of the report, had they gone into any long train of argument. As to the question whether the bank had not dealt in the coin, he might leave it to the House, without a further remark.—The committee had asked the president of the bank how it was that the government had been obliged to give two per cent. for ten millions of dellars to go to. South America?—The President had stated in reply, that the bank had taken the advice of an eminent attorney, who had given to them as his opinion, that foreign coin was to be considered as bullion, that being the only bullion known in the ordinary they did not consider themselves as having any right to trade in American gold coins, which he denominated the legalized cein of the country. The committee had then called for a statement, from which it appeared that the bank had purchased no less than eighty-four thousand dollars worth of the gold coin of the United States at different times, and for different premittins. Now he left it to every geatleman, to say what would be the first impression produced by the statement of such a fact. The gentleman indeed had stated by way of palliation, that, although by the enactment of Congress, gold was to be received at fifteen times the value of the same weight of silver, it was, in fact, worth sixteen times that taken

times that value.

Mr. C. asked whether it was to be put into the power of a
Bank to fix the value of the coin of the country at a different standard from that settled by law by forceing it into the market? If this was to be permitted, the Legislature might as well abstain from the useless task of fixing any standard at all. "The value of American coin had been en tirely unsettled, so that no man knew what its true value was, and if a great and powerful institution wielding so im mense a capital was to be allowed to fix upon it a different value after it had been stamped by the authority of the Go-vernment, it was vain for that House to sit there and legis

With regard to the national stock which had been purchased from the Government by the Bank, Mr. C did not deny that the Bank, at its origin, had a right to deal in those stocks which its charter allowed it to purchase; the charter itself gave the Bank authority to sell that stock, but it also contained a clause by which the Bank was prohibited from dealing in stocks generally, although it might deal in those which were specified by the charter. From the premises, Mr. C. had inferred that if it purchased other stocks afterwards, the prohibition would prevent the sale of them. Mr. C. had inferred thut if it purchased other stocks afterwards, the prehibition would prevent the sale of them.—
If the charter intended that the Bank should sell stocks as well as buy them, it ought to have centained an express provision to that effect. Mr. C. then referred to the instance where the Government had advertised for two loans, generally known as the Florida loans. There was a competition in bidding for these loans, and certain individuals had offered the Government a premium, but the Government had preferred letting the Bank of the United States take the loans at par because the Government had a share in that Institution; because it would know where it had to pay, and because it would get interest on the money. The Bank took the stock under the distinct understanding that it would stitution; because it would know where it had to pay, and because it would get interest on the money. The Bank took the stock under the distinct understanding that it would be able to purchase it and to hold it. But the moment the Bank got it, it turned about and sold it all to the very individual who had before bid for it, and pocketed the premium. Would any gentleman say that this was right? Would any man contend that this was consistent with its charter?—For the Bank to turn round, five minutes after it had got the stack and nocket the premium?

stock, and pocket the premium? Forif it could sell at any time it could sell at once. With respect to the appropriation whi**ch** the Bank had With respect to the appropriation which the Bank had made for purposes of internal improvement, there were two cases in which the Directors had appropriated \$1500 for the purchase of turnpike stock after the Government had expressly refused to do the very same thing. The reasoning of the report on that subject was, that as the Bank constituted in fact a part of the public treasury, it could not appropriate money for any purpose which the Government held to be unconstitutional. What would be the consequence of an opposite dectrine? If for the sake of benefiting themselves the Directors of the Bank could appropriate \$1500 of the stockholders' money for a work of internal improvement, they might appropriate millions to similar objects. And if the Bank could thus bring its vast power to do what the Government did not hold itself warranted to do, who could calculate the consequence?

What town, what city would be safe, when it should tome in competition with such a capital? There would thus be a Government within a Government, and one which

come in competition wan such a capital? Incre would thus be a Government within a Government, and one which could do what the legitimate Government of the country could not effect, and which might apply all its combinations and all its boundless influence to objects calculated to prostrate the liberties of the country. Mr. C. said that he merely touched on these subjects, as it was not his design to

neitely touched on these angles, anticipate the report.
With regard to the bills of exchange which went so circuitously to Europe, it was not pretended by the committee that in issuing them, the bank had been guilty of any violation of its charter. The committee had only intended to of arresting the attention of the legislature. Those bills did not go directly to London. The purchaser entered into a bond when he took the bills of the United States Bank on the House of Barings in London, payable at six months sight, that, before the bill was presented, it should be taken round the Cape of Good Hope. The whole affair was a speculation. It was an enticing of persons to overtrade.—
If the purchaser used the bill, he had to pay two and a half par each, and the rate of exchange, whatever it might be in er cent, and the rate of exchange, whatever it might be, in nurned it to the bank, then he paid one per cent. These bill were purchased by individuals who bought their cargo of were purchased by muriduals who bought their eargo of poculation. They formed a species of *respondentia* bonds tout of instrument which had produced so much mischiel The commry was deceived in supposing that these bills prevented the export of specie. All the difference was, the instead of going to India, the specie went to London. The bank became the shippers of the specie, instead of the individual merchant. Two bad effects followed this operation t induced persons to trade, who had no capital, and it die not economize the specie of the country as it professed to lo. Nothing positive, however, had been advanced by the committee on this subject. They had only recommend ed it to the attention of the House, and the commercial com

annuy.
That part of the report which relates to the present resources of the bank, regarded a subject of very great importance. In relation to this, also, the committee had expressed no opinion, but they considered it due to the House and o the community, to put them on their guard with respecto the community, to put them on their guara with respect to this bank, and when the report came to be read, it would put that subject insuch a light as would need the utmost of forts of the gentleman from South Carolina to put the minds of men on a different course of reflection. The report went into a comparison of the condition of the bank at this time, with its according in \$138, when it was belowed to be on into a comparison of the condition of the bank at this line, with its condition in 1818, when it was believed to be on the very verge of bankruptcy—when it had actually suspended payment, and had thereby occasioned unparalleled distress. It had been said at that time, that the bank possessed in specificand in bills of the State banks an amount of on millions, while all the demands against it did not exceed ten millions, while att the demands against it did not exceed fourteen millions. Its means of payment then in proportion to its debts were as 10 to 11. Now the committee had not taken into view in the comparison they had made, the notes discounted, and other resources of the bank. They had looked only at its immediate means of payment as compared with the sources of direct demand, and when where two were expected it would be found that the table payment given the compared in which the five the table payment in the compared in the control of the compared in the control of the control o with the sources of direct demand, and when shese two wore compared, it would be found that the bank possessed in specie only 6.800,000 dollars; in bills of the State banks, 2, 300,000 dollars; and of the funded debt, not a dollar; while on the other hand, the direct demands which might be made against it, amounted to 23,000,000 dollars. The gentleman had neglected to state that its deposits amounted to between 17 and 18 millions; yet when the government wanted seven millions the other day, the bank could not pay it without being obliged to contract its discounts. Adding the deposits to all other sources of direct demand, it would appear that there were 42 millions of dollars, which night be demanded from the bank at any hour. It was very true that the bank had twenty millions of domestic bills, and twenty millions more of notes; but then to make the comparison complete, these species of resources ought to be looked at as they existed in 1818, and it would be found the available means, and the debts owing by the bank in 1818, hold a proportion much the same as they hold at this

per cent. stocks, it was perfectly well known that before the government had under any intimation to the Bank that it in-lended to pay off these stocks in July next, the Bank had resolved to buy that stock, and pay the stockholders the intesorted to buy that sides, and pay the stockholders the in-ter-st according to any arrangement they could get. When the government informed them of what it had reso'ved to do, Mr. Biddle, the President of the Bank, came on to Wash-ington, and according to his own account, told the govern-ment that he asked no favors, that the Bank was prepared to pay off the stock. That, however, was a matter which would turn up hereafter. The House would be better able

not competent to the House to institute. He had thought it improper in its nature, and that it would be attended with unfortunate consequences. The substitute for it was adopted by yeas and mays, and the majority voted for the amended in preference to the original resolution. It so happened, in the appointment of the Committee, a majority of the Committee was taken from the minority of the House, who voted against the amendment adopted, and the minority of the Committee from the majority, who voted for the amendment which was entirely different in its nature from the resolution. tion.

Mr. A. said he did not mention this by way of complaint,

but in connection with the consequences which had fillowed. On arriving at Philadelphia, when the Committee ened. On arriving at Philadelphia, when the Committee entered on its investigations, the question immediately arose as to the course to be followed by the Committee, and the Committee decided to pursue their inquiries, as I understood, under the resolution as originally offered by the gentleman from Georgia, and not under the resolution as adopt d by the House. In consequence of which, the investigations of the Committee were extended to a great number of objects, which, Mr. A. said, in his opinion, ought not to have come before them at all. So great a portion of time had been consumed in consequence, and in collecting documents from the Bank and elsewhere, and in examing individuals before the Committee, that no suggestion was made of what the Report would be until the return of the Committee to this city. As to the Report which had been presented, all that Mr. A. would say of it was that he did not know that there was a single sentence of it to which he assented, for Mr. A. would say of it was that he did not know that there was a single scattence of it to which he assented, for he had not even heard or, read the whele of it. As to the great volume of documents which accompany it he had neither read nor seen the greater portion of them. The Chairman having had them in his possession to make out his report from, he (Mr. A.) had not had access to them.— He should, therefore, have been in no respect responsible for the report of the Committee, even if he had not disapproved almost every sentence in it. Under these circumstances he said he would not trouble the House further at the present time, but to say that he intended to submit his observations on the merits of this subject in the form of a report, which he should himself present to the House at a future day.

future day.

Mr. Hubbard observing that the House had now hoard

Mr. Hubbard observing that the House had now heard gentlemen on both sides of this question, inquired of the Chair what would be the effect of the previous question? Before the Speaker had responded to the inquiry, Mr. Lamar entreated for one moment's attention while he did an act of justice to an individual connected with the Bank, whose conduct had been misrepresented. One of his colleagues, (Mr. Clayton,) had stated when the Bank question was last before the House, that he was authorized to say that the Cashier of the United States Branch Bank at Savarmah, had said to the Cashier of the State Bank, that

tion was last before the House, that he was authorized to say that the Cashier of the United States Branch Bank at Savamanh, had said to the Cashier of the State Bank, that "if the United States Bank should be re-chartered, it would grind the State isstitutions to the dust." Another of his colleagues had contradicted that statement, and Mr. L. himself had vouched for the respectability of the gentleman thus charged, and for the verity of any thing he should say. Ho had now learned that the Cashier of the State Bank had expressly contradicted that report, and he considered it his duty to state that fact to the House. He then, in conformity with the condition on which the gentleman from New Hampshire, (Mr. Hubbard,) had yielded to him the floor, moved for the previous question, but the House refused to sustain the call.

Mr. Cambrelleng, said, that there had been the difference of opinion refered to by the gentleman from Massachusetts, (Mr. Adams.) as to the powers of the committee. He must parden him for not concurring in his construction of the House, under which they had acted.—Had the original resolution, as proposed by the gentleman from Georgia, (Mr. Clayton,) heen adopted, instructing their to inquire into the affairs of the Bank of the United States, the committee might have exercised its discretion as to the mode in which the inquiry should be made, and might have merely called upon the Bank for information, and states ments. The House did, however, adopt the amendment of the gentleman from Massachusetts, [Mr. Adams.] and instructed their committee to proceed to Philadelphia, 'inspect the books and examine into the proceedings of the Bank of the United States, and to report thereon." The committeewere not only to inquire into the affairs of the bank but the mode in which that duty was to be discharged was actually prescribed—they had no discretion; the resolution of the House was not only plain and positive, but imperative—the committee were expressly instructed to inspect the books and examine into the tion of the House was not only plant and positive, but imperative—the committee were expressly instructed to inspect the books and examine into the proceedings of the bank.—The President of the Bank of the United States had himself given that construction to the resolution by soliciting the attention of the committee to various matters relating to charges which had been made against the bank; even to one of the most insignificant cases—that of employing a one of the most insignificant cases—that of employing a printer in Philadelphia to print reports. Mr. C. said that he had hoped there would have been nothing in the investigation of an unpleasant character, and he had, when the resolution was under discussion, expressed his conviction that in the exquiry nothing would be discovered to render the conduct of the officers of the bank at all questionable. Here gretted that that expectation had not been entirely realized; that the books of the bank had exhibited some transactions which he certainly had not anticipated finding there, and about which there would be a difference of opinion.—

which he certainly had not anticipated finding there, and about which there would be a difference of opinion.—As one of the members of the committee acting under the resolution, he had felt it to be his duty to investigate them thoroughly, and to report these proceedings of the bank to the House.

On a proper occasion he would windscate some of the more important matters contained in the report. He could not, however, perint what had been said by the gentleman from South Carolina, (Mr. McDuffle,) to go abroad without expressing his dissent to the view taken of the relief extended by the Bank of the United States to trade generally, and particularly to the city of New York, during the late active demand for money. That gentleman had referred to the aid extended to New York, and the President of the bank had repeatedly, in the documents submitted by the committee, spoken of sustaining that city, of aiding Government debtors, and of moderating the pressure upon the committee, spoken of sustaining that city, of aiding Government debtors, and of moderating the pressure upon the committee, spoken of sustaining that city, of aiding Government debtors, and of moderating the pressure of the documents would satisfy the House that the Bank of the United States had not increased its discounts during the late pressure at New York or at any of its branches.—

It will be seen by the correspondence furnished by the president of the bank, that when it began lust fall to prepare for the payment of the public debt, a circular was addressed to all the branches, instructing them to curtail their discounts, and that every branch in the Union was laid under

for the payment of the public debt, a circular was addressed to all the branches, instructing them to curtail their discounts, and that every branch in the Union was laid under contribution to sustain the offices at New York and Philadelphia; that these instructions were continued through October, November, Dacember, January and February, until the pressure becames of great at Louisville and Cincinnati, that the president was compelled to instruct the cashiers at these places "under circumstances so distressing" not to reduce their loans further, but to accomplish their object in as gentle a manner as possible. All the energies of the Bank of the United States and its branches have been exercised for six months past, not to relieve the residence. Bank of the United States and its branches have been exercised for six months past, not to relieve the merchants of New York, but to sustain the branch at that place, which was called upon to receive in the five last months of last year, seven millions in notes and drafts of other branches, which the other banks would not and darek not re-

es, which the other mans would not and that not re-ceive.

The statement furnished by the Bank proves that the total amount of discounts at the Branch in New York have been actually diminished since the first week of O-tober last, four hundred and sixty-eight thousand dollars, while the amount of revenue collected at that port within the same term amounted to between nine and ten milthe same term amounted to between nine and ten millions of dollars. I do not, said Mr. C. blame the Bank of lions of dollars. I do not, said Mr. C. biame the Bank of the United States for not enlarging its discounts—under a re-action in trade—pressed as the Branch in New York must ever be with the notes of all the Southern and Western Branches, it requires all the surplus resources of the Bank to sustain itself, and must be sometimes driven to the necessity, as it has now been, of curtailing its dis-

had twenty millions of domestic bills, and twenty millions more of notes; but then to make the comparison complete, these species of resources ought to be looked at as they existed in 1818, and it would be found the available means, and the debts owing by the bank in 1818, held a proportion much the same as they hold at this time.

The gentleman had spoken of a triumphant vindication of the bank from the imputations cast upon it by public rumor, of having spoculated extensively in government stocks; but the disclosures on that subject went, in Mr. C.'s estimation, rather to confirm than to contradict those rumors. The operation in which it was engaged was secret, and the inference, was no more than every man was entitled to make, that the bank in that operation, acted as the secret agent of government, it had fully satisfied Mr. C.'s mind, but it went to show that the suspicions which had been entertained, and the rumors had been affort, were not without just foundation.

In the last place, as to the deferred payment of the three per cent. stocks, it was perfectly well known that before the government had made any intimation to the Bank has in the same currency, accurrency receivable at every other Bank,—

If the bank received the public revenue and paid the Government had made any intimation to the Bank has in-depth and the same currency, it was one or twenty millions.

In the last place, as to the deferred payment of the three per cent. stocks, it was perfectly well known that before the government had made any intimation to the Bank that it in-developed the received the public revenue and paid the Government had made any intimation to the Bank that it in-developed the received the public revenue and paid the Government had made any intimation to the Bank that it in-developed the received the public revenue and paid the Government had made any intimation to the Bank that it in-developed the received the public revenue and paid the Government had made any intimation to the Bank that it in-developed the receive If the bank received the public revenue and paid the Government debt in the same currency, it never could be compelled to distress trade by suddenly diminishing its discounts. But the funds received, not being applicable to the payment of the public dobt, nor promptly convertible, the bank, when it pays the creditors of government, is compelled to resort to its ather resources—its specie, its foreign exchanges—its dublic debt, when it had such a resource—and lastly its discounts. It was rapidily loosing all these resources in October last, and found itself compelled suddenly to commence curtailing its business in every part of the Union.—

find it began to make preparation to pay half of the three per cents in July, it would have been obliged to issue another circular similar to that of October, calling upon all the

branches for funds, not to loan government debtors, but to pay the government crediters at New York and Philadel-

I was satisfied from an investigation of the affairs of the bank, that it could not promptly redeem the three per cents, and stated that opinion three months ago. Had another circular heen issued at this time, after an active demand for money for six months, and in the present condition of

for money for six months, and in the present condition of the bank, it would have produced a pressure upon the offices at Philadelphia and New York, which would have extended to every part of the Union. This could never have happened, if the bank had not injudiciously enlarged its concerns, or if the plan of its circulation was sound. So long as the branch at New York is compelled to receive millions of the notes of distant branches, there must be, periodically, a pressure upon that branch, and the trade of that city, which must be sensibly felt throughout the Union.

the Union He said that this was a Mr. McDuffie tose in reply. embject with regard to which political economists held very Jifforen opinions, and he knew that the gentleman from New York (Mr. Cambreleng,) had a peculiar theory of his own on the subject of banking, and he was further aware, that when gentlemen were governed by any particular theory, they were very apt to be dissatisfied, when, upon examination, facts were found not to correspond with it. The gentleman, it seems, had predicted, three months before, gentieman, it seems, had predicted, three months before, that the Bank of the United States would not be able to pay off the 3 per cent, and the gentleman seemed to feel gratified as a theorist in the personsion that his prophecy had been fulfilled. But Mr. McD. would very briefly explain what had been the operation accomplished by the Bank in the city of New York, and by which it had prevented incalculable distress. The President of the Bank, in a very heigh open which Mr. McD had upper year until that ed incalculable distress. The President of the Bank, in a very lucid paper, which Mr. McD. had never seen until that morning, had presented a view of the character of that opera-tion. The member from New York was greatly mistaken, if he thought that he was shewing to the House the true state of things, when he got up his tabular statement, to show that

the discounts did not amount to quite so large a sum as they had done at a previous period, and the mistake of the gentleman lay in this; that he blended together the discounts of the bank, with its operations in exchange. Mr. McD. regarded them as very different from each other, and when that distinction was justly made, it would appear that between the 31st October and the present time, the accom-modations granted by the bank to the commercial com-munity in Now York, instead of being curtailed, had been increased. The salutary inaction of the bank, in abmainty in Now York, instead of being curtained, and been increased. The salutary inaction of the bank, in abstaining from the curtailing of its discounts under a crisis of such extreme pressure, constituted in itself one of the greatest benefits it could confer on the commercial community. The accommodations it afforded were equal in importance to the same amount of bank discounts .-The mother Bank had issued orders to all its branches in the West, to assist the branch which was established in

New York; and it had further instructed them to give to the merchants of the Western States checks in anticipation on the basis of their produce, the result of which operation went to relieve the New York merchant as much as actual discounts to the same amount. The accomprodutions granted by the Bank to Government debtors, were very different matters from commercial accommodations, and a great a-forunt of the former had been granted in New York to those Mr. who were unable to pay their custom-house bonds. McD. observed, in conclusion, that various topics had been introduced by the gentleman from Georgia, (Mr. Clayton,) to which he should at this time abstain from making any reply. To be concluded.