

WEDNESDAY, DECEMBER 20.

Continuation of the Debate on Foreign Coin.

Mr. Sewall said, the reasonings of some gentlemen upon this subject were so different from his, that he was almost led to doubt the conviction of his own mind. The gentleman from Maryland had referred to what he had said on a former occasion respecting four pistoles pieces, and observed that a few small fishing vessels might carry on their trade in the way mentioned, but that merchants in larger concerns did not. It was true, the fact alluded to, was the way in which vessels which went with fish from the port from which he came did their business at Bilbao. The gentleman said the business could be better done in London. He certainly must have been ignorant of the subject, or he must have known that in the present state of warfare among the European powers, that remittances from Bilbao to London, could not now be made, and when they were made it was at a loss of from 15 to 25 per cent. He believed the dollar of Spain was worth 40d. sterling, but it had been down as low as 28d. and was mostly about 36d. whereas the loss sustained on the importation of gold was less than 5 per cent. so that it was much better to receive gold, than make remittances from Spain to London. Sometimes, however, the traders agree to lose from 15 to 25 per cent. by drawing on London, when they have an article which will afford an extraordinary profit. Taking the subject at large, he did not think so many difficulties would attend the suffering of the law to take effect as had been predicted. At present, he said, he gave a sanction to foreign coin which was not given in any other country. The question was not whether they should say foreign coin should not be received at all, but whether, by our law, a man shall be obliged to receive it, which would be giving full credit to the coin of a foreign government, over which we have no control, and which may, of course, contain more alloy than it ought. At present, he said, our collectors received French crowns, banks would do the same. Gentlemen said this showed the incompetency of disputing about the matter; and if there would be no inconvenience attending the law going into effect, it would certainly be more honourable to government, that our citizens should not be forced to receive foreign coin in payment. If the business were left in the way the executive had put it, the foreign coin, without producing any inconvenience, would take its course towards the bank of the United States; for money did not need to be hauled along, it flowed like water through the country. Gentlemen had said that copper circulated in a direct contradiction to the law; and so far as it was necessary, the foreign coin in question would have a currency; but it was not necessary to force them into payment. He believed the new coin of the French republic contained more alloy and was of less value, than those of the monarchy—yet gentlemen would have all received. He hoped the motion would be agreed to, as he saw no good in postponing the business for two years.

Mr. Nicholas said, the observations on this subject had generally admitted that there would be a loss attendant on the calling in of the foreign coin in question; but the gentleman last up had endeavoured to prove that it was the intention of gentlemen in favour of suspending the act, to force foreign coin to be received. It was astonishing the gentleman could so far impose upon himself as to believe it possible to impose such an opinion upon the house. The laws had heretofore said they should be received; they did not wish to add to them. He believed they were not now to decide whether they would have our own impression upon all the money in circulation, but whether they should be justified in taking money out of the hands of citizens at a less value than that for which they received it. They had been told that the suspension of this act would be an intrenchment upon the mint law; that it would strike at the existence of the mint; and that if the business were postponed, the same objection would arise at the end of the time to which the law was suspended. The crisis now arrived, he said, was never in view when the law passed; the mint law had not been carried into effect; it directed that all foreign coin which came into the treasury, should be sent to the mint and re-coined. What would have been the consequence of this? If it were ever possible to fill the country with our own coin, it would now have been filled. But, instead of this law being complied with, not a shilling had been sent to the mint from the treasury. The consequence was, a coin of the United States could not be seen, at least in the interior of the country. He averred, he never did see an eagle pass in any current commercial transaction. He believed it impossible to keep a circulation of this kind for any length of time; for the balance of foreign trade being against us, it must go to pay that balance. Mr. N. said, he had attended to the report which he had received on this subject, and to the observations of the gentleman from Pennsylvania that it ought to produce a different result in the committee. He had nothing but the gentleman's word for it. So far as he could understand the report, he did not find the mint operative, or able to do the work which gentlemen wished to give it; that it had done last year less than ever, and if it gets the 300,000 dollars which are expected, upon the highest calculation of what it can do (and not what it has done) it will require seventeen weeks to re-coin them. What would be the effect, then, if all the foreign coin were to come in? The banks would, of course, have the preference, and the other must wait until the mint was ready to receive it, without benefit to the owners. Was this reasonable? And were

gentlemen to be indulged in their play thing at this expense of the people? Mr. N. said, gentlemen forced the mint into disuse. They say it is necessary for its existence that this law should be in force. They were constantly told that all the mischief which could arise from the stoppage of the silver coin had already taken place. His knowledge was the reverse. When he left home, the circulation had stopped, but persons holding French crowns, declined parting with them at a loss, relying on something being done for their relief. As to what the Executive had done in ordering French crowns to be received in the custom-houses, it would afford no adequate remedy. It perhaps was a very proper step for the Executive to take, though he did not know by what authority it was done; yet gentlemen wished to have the sole regulation of the business. He was far from being of this opinion. But, say gentlemen, if this suspension were to take place for two years, the same inconvenience would return. This, Mr. N. said, would depend upon circumstances. If gentlemen were determined to support the mint, there were other ways of doing it, without taxing any particular part of the people; if not, it might be put down altogether. It was not tied about their neck, like a mill stone to sink them. He trusted, if it were found an useless and unprofitable establishment, that it would be relinquished. One result, Mr. N. said, he drew from the director's report, which was, that whilst there were to the amount of 300,000 dollars in French crowns in this city and New-York, the quantity in circulation could not be so inconsiderable as some gentlemen seemed to insinuate. It confirmed his opinion that the amount throughout the United States was a serious one. He hoped the committee would not rise for the purpose proposed.

Mr. Venable said, it would be remembered that the gentleman from Pennsylvania (Mr. Sitgreaves) was on a former day opposed to the report of the committee, though he now wished to favour it, notwithstanding his arguments were against it. He himself was one of the committee, and should have been satisfied with the report. Mr. V. tho't the gentleman had used a curious sort of argument. He had said he had no data upon which to calculate what would be a sufficient circulating medium for this country, yet he was certain there must be now sufficient coin to prevent any inconvenience from the stoppage of foreign coin. He did not think it safe to act upon such arguments as these. He said he was not much acquainted with commerce, but some gentlemen had gone upon ideas which were very different from those impressed upon his mind. The gentleman from Massachusetts had said, that the only way to support the Mint was to depreciate the foreign coin; but this could not last long, for if it were depreciated, that depreciation would put a stop to its importation. Before he saw the report, Mr. V. said, he supposed the operations of the Mint had been greater than they proved to be; he was now satisfied nothing would do, but a suspension of the law relative to foreign coin, as the mint could not supply the circulation. In three years the Mint had coined 700,000 dollars. They were now indeed promised 300,000 dollars from the banks. If therefore, the Mint increased in its operations, the country would be in a better state for dispensing with the circulation of foreign coin two years hence than it was at present. Had the Mint answered the expectations formed of it when the Mint law passed, there would not now have been any occasion for the proposed suspension. It was said, that as the officers of the customs and the banks received French crowns, there could not be much loss upon them; but the banks receiving them was a voluntary act, and they might depreciate or appreciate them at their own pleasure. This was not the situation in which the country ought to be with respect to its circulating medium. The people wished to have the business regulated by law, that they might have some certainty in their money transactions.

Mr. S. Smith said, the gentleman from Massachusetts had charged him with ignorance in the observations he had made with respect to the mode of transacting business between this country and Bilbao; and though he was ready to confess, he might, in some respects be deemed ignorant on many subjects which came before that house, yet he did not think the term applicable on the present occasion. The gentleman had asserted that that there was no way of importing coin from that country but by smuggling; but the true way of importing coin was to pay eight per cent for the danger, five per cent premium, and to sustain a further loss of five per cent making in the whole eighteen per cent. The gentleman had stated, that at present it was impossible to make remittances by way of London, and that when they were made, they were attended with a charge of from fifteen to twenty per cent. The gentleman had also stated the Spanish dollar to be as low as 28 pence, but this was owing to a paper currency in Spain which had reduced the price from 48 to 28. The extent of loss, at this time, of remittances of that kind was from 10 to 12 1/2 per cent. And so far from the gentleman being correct in saying that no remittances could at this time be made, it was the common course of business; as, though it could not be made directly to London, it was done through Hamburg, in the same way as remittances from Holland to London, were made thro' Bremen. With respect to the report before them, the director said they could coin from 18 to 20,000 dollars per week. Let us see, said he, what has been done. The last deposit was 20,000 dollars from the bank of North America, made three weeks ago, and yet it was not finished. This varies from the report of the director. Supposing, however, that mint was capable of coining 15,000 dollars a week, it would take a year and a quarter to coin a million of dollars.

Mr. Sitgreaves said, that the gentleman

from Virginia (Mr. Nicholas) had insinuated that his motion ought not to be carried, because he was on a former occasion, opposed to the report, though now in favour of it. He did not oppose it altogether, but only as it related to gold coin; he then tried the opinion of the committee with respect to gold coin, he wished now to try it with respect to silver, and see whether they were not of opinion that the measures recommended by the Executive, would not prove sufficient to answer every purpose. He had also noticed, what he had said with respect to the circulating medium of the country. Because he had said he did not know the amount of the circulating medium, yet from the amount coined, and the dollars and paper in circulation, he believed no inconvenience could be sustained from the stoppage of French crowns he had called it an extraordinary argument. It was not one of those things upon which any certainty could be had. He might with as much propriety say it was sufficient, as that gentleman should say the contrary. It was their opinion. But the gentleman remarked, that the sum now ready to be deposited in the Mint, was nearly half the amount of what had hitherto been coined. This was a fact, Mr. S. said, which ought to be a strong inducement with them to take the course he advocated; for, said he, what is the reason so little has hitherto been done? Did it not appear from the report of the director of the Mint, that it was owing to errors in the law which prevented deposits from being made? And had not these representations been uniformly disregarded? It had, therefore, been for the want of bullion alone, that the Mint had not done more work. The former director had told them that the Mint was equal to the coining the value of three millions of dollars of gold and silver coin in a year; the present director told them from 18 to 20,000 dollars a week in silver, which was about a million a year, and gold in proportion. Hence it was clear that the capacity of the Mint was equal to the issuing of three millions a year. So that it was not incapacity, but error, which prevented a sufficiency of coin from coming from the Mint. The act for stopping foreign coin had already, in some degree, as they learnt from the report before them, corrected the error. Gentlemen had suggested another mode of supporting the mint by appropriation. He had heard nobody deny that this would not be proper; but he wished the law to remain in aid of any appropriation which might be made. Mr. S. concluded with remarking, that he had enquired of one of the bank directors, the reason why so great a proportion of gold coin had been sent to the mint, and he told him it was owing to the gold's being in so mutilated a state that they could not put it off to their customers.

Mr. Gallatin said, after what had fallen from the gentleman from Virginia (Mr. Nicholas) he did not expect to have heard the arguments made use of by his colleague; after it had been stated that the law of 1793, which required the Secretary of the Treasury to send to the mint all the foreign coin which came into his hand, had not been complied with, he was astonished he should talk to them of the errors of the system as to deposits. It was said there were good reasons for this breach of the law; he did not doubt this, because they knew the law had not been carried into effect. The reason why it had not, was not now under discussion; but let it not be said that it was owing to a great part of the revenue being paid in paper, because it was known that cash was always demandable for that paper. He did not mean to throw blame upon the department, in the business, any farther than this, that as it was their duty to carry the laws into effect, when they found it inconvenient to do so, they ought to state the inconvenience, in order that the law might be re-considered. It was complained of that no appropriation had been made for the purchase of bullion; there would have been no necessity for this, had the law been carried into effect, as all money in the treasury was appropriated for the purpose, by the law directing it to be received. The gentleman from Massachusetts (Mr. Sewall) complained that the law making foreign coin legal tender forced the people of the United States to receive a foreign coin which might not be of sufficient purity, and upon which they might suffer a loss. Mr. G. said the gentleman was mistaken as to the fact, as no loss of this kind could be sustained, until the President issued a proclamation declaring that a certain coin was of less value than it ought to be. The present question was not, as that gentleman had stated it, whether they should give currency to foreign coin or not; but it was whether they should take foreign coin out of circulation before they got their own into circulation. The law consisted of two parts; the one was directing that all money which came into the treasury should be re-coined; the other, that at a certain period foreign coin should be called out of circulation; but the first part not having been carried into effect, it was highly reasonable the operation of the second should be suspended. Mr. G. did not think the report of the director of the mint made any change in the question. If any inference could be drawn from it, it was, that the banks having sent in a considerable quantity of foreign coin to be re-coined, they may probably continue to do so though the act be suspended. With respect to the deposits promised from the banks of New-York and this city, he did not think they were of any consequence in this business, as they did not affect the main argument.—He said it would be the interest of the holders of French crowns to take them to the mint, or not; if it were their interest, they would do it without any legitimate force (as his colleague had termed it); if not, they ought not to do it at a loss. He should, therefore, vote against the committee's rising for the purpose mentioned.

Mr. Sewall thought it incumbent upon him, before the question was taken, to state, that he did not apply the term ignorance to

the gentleman from Maryland, generally, but merely as to the particular circumstance of which he spoke, nor should he have used the phrase if another had occurred to him. Mr. S. also took some notice of what had been said by Mr. Gallatin respecting the proclamation of the President, being necessary, before any loss could be sustained by foreign coin containing too much alloy; but a proclamation of this kind, he said, would occasion as great difficulty, as suffering the law in question to continue in effect.

The question for the committee's rising, in order to recommit the bill, was put and negatived, there being only 27 votes in its favor.

The question was then carried without a division for rising and reporting the bill. The house having refused, Mr. Sitgreaves called for the yeas and nays on the question of the bill's going to a third reading.—Agreed.

Mr. Champlin said he intended to vote against this bill, and as several gentlemen opposed to it had taken very different grounds of opposition, he rose, with a view of merely stating the grounds, upon which he should give his vote. He was as sensible as any member of the house, of the evils and inconveniences resulting from a certain part of the act relative to the Mint. And if they could not be remedied in any other way than the one contemplated by the bill now proposed, he should certainly assent to it. But he was convinced, that the provision contained in this bill, to remedy those evils was both improper and unnecessary.—Improper, as it would operate to the ruin of the Mint; and unnecessary, as the select committee, to whom this subject was referred, originally reported a proposition which, if adopted, would put an end to all the difficulties, consequent upon the operation of the act in question, as it now stood. He hoped therefore, that the bill would be negatived, and the original report of the select committee would be again referred to and adopted.

The question being put upon the bill's passing to a third reading, the Yeas and Nays were taken as follows:

Y E A S .

Messrs. Baldwin, Baird, Blount, Brent, Bryan, Bullock, Burgess, Chapman, T. Claiborne, W. Claiborne, Clay, Clopton, Cochran, Coit, Davis, Dawson, Dent, Edmond, Elmendorf, Evans, Findley, J. Freeman, Gallatin, Gillespie, Gregg, Goodrich, Grifwold, Grove, Hanna, Harper, Harrison, Havens, Heister, Holmes, Holmer, Jones, Kittera, Livingston, Locke, Lyman, Machir, Macon, McCleachan, McDowell, Morgan, New, Nicholas, J. Parker, Pinckney, Reed, Rutledge, Shepard, Skinner, S. Smith, W. Smith, Sprague, Sprigg, Stanford, Sumpter, Swanwick, Tillinghast, A. Trigg, J. Trigg, Van Costlandt, Varnum, Venable, J. Williams, R. Williams—68.

N A Y S .

Messrs. Baer, Bartlett, Brookes, Champin, Craik, Dennis, A. Foster, D. Foster, Glen, Gordon, Hindman, Imlay, Matthews, Morris, Otis, I. Parker, Sewall, Sismickson, Sitgreaves, N. Smith, Thatcher, Thomas, Thompson, Van Alen, Wadsworth—25.

The bill was accordingly ordered to be engrossed for a third reading to-morrow.

Mr. Pinckney, from the committee to whom was referred the petition and remonstrance of the Legislature of the State of Tennessee, made a report, recommending that a sum of money should be granted by Congress, and placed in the hands of the President of the United States, for the relief of such citizens of Tennessee as have titles to land, by virtue of the cession act of North Carolina, and who have been deprived of them by the carrying into effect the late treaty with the Indians, to be employed in extinguishing the Indian claim or in such manner as the President of the United States shall think proper, for the relief of the said citizens.

The report was twice read, and committed for Monday.

Mr. D. Foster moved that the report of the committee of claims, on the petition of Comfort Sahds and others, and a report of the Secretary of the Treasury thereon, be referred to a committee of the whole.—Agreed and made the order for Friday.

A d j o u r n e d .

The petition of the Marshal of Virginia, presented yesterday, did not complain of the insufficiency of goals in Virginia generally, but that of Petersburg in particular.

FRIDAY—DECEMBER 22.

Mr. Dawson wished to call the attention of the House to a subject which, he doubted not, would interest the feelings of every member.—The subject alluded to was the situation of General Kosciusko. It was a fact well known to every man in this country; it was a fact known to the world, that this brave man entered into the service of the United States, at an early period of our revolutionary war. When this service was ended, he received from the government a certificate of what was due to him. He returned to Poland, his native country; there, animated by the same spirit which had led him to take a part in our struggle for independence, he endeavored to overthrow the existing tyranny, and to introduce in its place liberty and independence. For some time his attempt seemed likely to be crowned with success; but, on the fatal 10th of October, 1794, overpowered by numbers, he was defeated and taken prisoner, covered with wounds and with glory, he was conducted to the prison of Petersburg. When he was released from thence, he immediately set out for this country, here to spend the remainder of his life. He was now within this city; but, from the wounds he had received in his arduous but unsuccessful conflict, he was unable to walk, or to attend to any business. On the unfortunate day on which he was taken prisoner, he lost his all, and with it

the certificate of the services rendered to the United States. He was unable, therefore, to obtain a settlement of his account at the Treasury. To get aside all difficulty in the matter, Mr. D. proposed to offer a resolution to the consideration of the House; and as it was justice only which he fought for this brave man, he doubted not that a spirit of justice would insure its adoption. It was to the following effect.

Resolved, that a committee be appointed to enquire and report whether if any, what provisions are necessary, to obtain payment of the claim of General Kosciusko on the United States.

Mr. J. Parker seconded the motion. He hoped the resolution would be agreed to, and that immediate attention would be paid to this unfortunate Gentleman, as he believed, except he made use of the grant made to him by the Emperor of Russia, which he believed he was disinclined to do, for considering his predecessor as the chief cause of his own misfortunes, and those of his country, he did not wish to be under obligations to him. The certificate given to the General, on his departure from hence, was for 12,800 dollars, upon which he had only received one year's interest. He hoped, therefore as he had the misfortune to lose his certificate, at the time he was taken prisoner, that the House would take such measures as should enable him to receive the amount of his certificate, with the interest due thereon.

Mr. Coit moved that the resolution should be committed to the Committee of Claims, but afterwards changed his motion so as to make that committee the committee to enquire and report, instead of a Select committee. He proposed to have no other object in these motions, than that this claim should take the same course with other claims.

The motion was supported by Messrs. Allen, J. Williams, Macon, and Edmond. It was opposed by Messrs. J. Parker, Livingston Gallatin, Brookes, Nicholas, Harper, Shepard, Pinekey, Otis, Swanwick, S. Smith, T. Claiborne, and McDowell.

The motion for a reference to the committee of claims was lost.—59 to 33.

Mr. Pinckney said, that as this claim was different from most others which came before that house, and having himself had something to do in the business, he would state to the house what he knew of it. Previous to general Kosciusko's return to Poland, whilst he was in Germany, he applied to the Polish ambassador in London, by letter, requesting him to make application to the American minister there, for payment of a part of the money due to him from the United States. The mode of transacting this business was this, Mr. P. said. The interest arising from the certificate granted to the general was made payable in Paris; but from the change which took place in the French government, the general did not know how to receive it there, which was the reason of his making application, through the Polish minister, to him, (Mr. Pinckney) in London. Mr. P. wrote to the American minister at Paris, for an order on the bankers of the United States in Holland, but having, in the mean time, received a letter from general Kosciusko, requesting the money to be sent for him to Ratibon or Leipzig, he (Mr. P.) sent an order to Amsterdam, requesting the banker there to transmit the money either to Ratibon or Leipzig, as the exchange should be most advantageous. In the interim, general Kosciusko returned to Poland, and he supposed, he then had no time to attend to this business. He never heard any more upon the subject until he saw the general in Philadelphia, when he found this money had not been received by him, so that he supposed it yet lay in the hands of the Leipzig or Ratibon banker. Finding this to be the case, Mr. P. immediately wrote to the banker at Amsterdam, requesting him to re-draw the money, and to transmit it here for the general's use. But, as he might, in the mean time, stand in need of it, it might be proper in the United States to anticipate its return, by settling the account with the general. He hoped in whatever way this business was effected, it would be in such a way as not to wound the feelings of a man who had deserved so well of this country.

On a suggestion of Mr. Sitgreaves, instead of appointing a committee, the secretary of the treasury was directed to make a report what legislative provision was necessary, &c.

This motion was carried 49 to 40; but whatever difference of opinion there was in the house, as to the mode of doing the business, there seemed to be but one sentiment as to the propriety of complying with the spirit of the resolution.

Mr. Harper proposed a resolution directing the committee on Post-Offices and Post-Roads, to enquire whether it would be expedient, that the road from Edgfield court house (S. C.) to Augusta in Georgia, should be changed so as to go thro' Charleston, S. C. which after some observations to show it unnecessary, as the subject was already generally under consideration, was negatived.

A bill from the senate, for the relief of William Imlay, commissioner of loans for the state of Connecticut, was twice read and referred to the committee of claims.

Mr. Livingston said, it would be seen by the report of unfinished business, that a bill passed the house in February last, for the relief and protection of American seamen, but not being acted upon by the Senate, he found it would be necessary to bring forward the business anew in the House of Representatives. He should, therefore, move that a committee be appointed to bring in a bill for this purpose on Tuesday next.—Whilst he was up, Mr. L. said he should present

A petition from the three daughters of the late Count de Grasse. The petitioners state their funds exhausted, principally by paying debts contracted before the grant of Congress; and not having yet received any returns from the estate left them in Port de Paix, they pray for the farther assistance of