THE EVENING TELEGRAPH.

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FIRST EDITION

NATIONAL FINANCES.

The Great Issue of 1868.

IMCORTANT LETTER FROM JAY COOKE

Origin of Our Banking and Currency Systems.

THE PRESENT STATUS OF NATIONAL BANKS.

Greenbacks vs. National Bank Notes

Etc., Ltc., Etc., Etc., Etc., Etc.

The Sandusky (Ohie) Reflister of Saturday, October 19, contains the following important cor respondence, which we are gratified to place befo rethereaders of THE EVENING TELEGRAPH, uns shridged, this afternoon:-

8 ANDUSKY, Oct. 11, 1867 .- Dear Sir:-Permit to ask you to give, at your leisure, answers the following questions:—

1. What was the origin of the national bank-

j gg system? 11. What is the character of the national bank

turrency?

III. What is your reply to those who claim that the Government could and should save the eighteen millions of annual interest now paid on the United States bonds deposited by the national banks to secure their circulation, by retiring the three hundred millions of mational bank notes, and issuing a like amount of greenbacks instead? of greenbacks instead?

What is the present position of the na-"V. How and wherein is the national banking

system superior to the old United States Bank or the State bank system? VI. Why should the national banking system

be perpetuated?
It seems strange that such a lack of information as to the origin, condition, objects, and merits of the national banking system should prevail all over our land; and we are convinced that if the system were better understood by politicians of all parties they would cease endeavoring to damage it by drawing it into the vortex of political strife. As you have been identified with the national banking system from the beginning, we have taken the liberty of submitting to you the above inquiries by

from the beginning, we have taken the liberty of submitting to you the above inquiries, be lieving that your replies to them will furnish much of the information needed by the people. Very truly yours,

President First National Bank, San Jusky.

L. S. HUBBARD,

President Second National Bank, Sandusky.

To Jay Cooke, Gibraitar, Pat-in-Bay, Onio. Reply of Jay Cooke.

Ginraltar, Putin-Bay. Ohio, Oct. 17, 1867.—Gentlemed:—Your favor of the lith inst. is received; and in
complying with your request as far as I am able, i do
so the mode resulty because I regard the national
banking system as standing upon its own merits, and
not in any sense a party question. With you, I deeply
regret the mistaken opposition to this admirable system of finance now manifesting itself in so many
queriers, and I cannot but believe that those of cota partiers, and I cannot but obsieve that those a four parties who are now apparently most antagonistic to the national backs, it they had given as much thought to this great subject as its importance demands, would be among the foremost defenders of a system which. I trust, is destined to prove their wise and beneficed:

—a permanent basis for our future prosperity. I shall attempt to answer your questions in the order in which they occur in your letter.

which they occur in your letter.

1.—OBJGIN OF THE NATIONAL BANKING SYSTEM:
Up to 1886 our paper correccy consisted of the notes of banks chartered by the several States—sach State having laws peculiar to itself for the establishment and government of its banking institutions. There was no attempt at uniformity in bank logislation, the banks of one state standing on a basis entirely different from those of another. In some cases the banks were held to a strict accountability, and required at all times to furnish reasonable evidence of activency, while in others the currency was left to take care of itself, and bill holders were permitted to look after their own interests as best they could, (the banking systems of New York, Onlo, and possibly one or two other states, were the only exceptions to this chaotic rule.) As very few State bank notes passed at par in all parts of the country, the notes of each bank had a different rate of discount, and the notes of the same bank had different values in different parts of the country at the same time.

The currency of one State, although good at home, was often rejected as uncurrent in another. This state of things rendered exchange between the East and the West, the North and the South, expensive and yexations, entailing constant loss upon the business men of every section. The notes of no two nanks were allke in appearance; counterfeits flooded the country, often deceiving the most experienced judges, and rendering it unsafe for most people to accept paper money other than the notes of their own local banks (unless accompatied by a guarantee) without consuling an expert. Failures were frequent and classification, the loss usually failing first upon the bill holders who were least as to bear it. It was impossible to tell what banks were sound and what ones was wrapped in a cloud of uncertainty, and the public mind was filled with apprehension. A more chaotic and unsatisfactory financial condition could not well be imagined.

At such a time, and under such circumstances I .- OBIGIN OF THE NATIONAL BANKING SYSTEM

mind was filled with apprehension. A more chaotic and unsatisaciory financial condition could not well be imagined.

At such a time, and under such circumstances, the nation was engaged in suppressing a great Rebeillon, and was forced to meet expenditures utterly nuparalleled in the history of any country. The national treasury was empty, heattlittes were in progress and public confidence in the dinancial stanton was at its lowest ebb. The Government could not, to any extent, avail itself of the they existing hacking system, for, with the exception of the noble response of the National Analysis. The other response of the National hacking system, for, with the exception of the noble response of the National Analysis of the country necessary to meet his daily increasing wants. In intraishing the first fifty-million loan, the Secretary of the Treasury sought in value for that concert of action and financial strength among the banks of the country necessary to meet his daily increasing wants. The only manner in which the old system could have been made even temporarily available would have been made even temporarily available would have been by granting the State banks the widest license of issue, thus flooding the country with an irrede mable and, to a great extent unsecured paper currency, which long before the close of hoat litles must have led to financial disaster and collapse tor not only would the then extend by burden and the profit by the confusion of the times. This increase of banks would naturally have been greatest in those Bianes where the greatest license of circulation prevailed, and where there were fewer tends concess on free pronancial order out of classes of giving the country a safe and uniform currency, of renoming the country as safe and uniform currency, of renoming the country as safe and uniform currency, of renoming the confidence of was a safe and uniform currency, of renoming the confidence of was a confidence of the open and above all of formulation of the safe partity in consideration

incurp the active and earnest co-operation of these same national banks.

Buch was the origin of the national banking aystem. II.—CHARACTER OF THE NATIONAL BANK CURRENCY. The notes of the national banks possess every element required in a good circulating medium. As already remarked, shey are uniform in appearance, everywhere equal in value, and just as sected as public and private credit combined can make them.

First—This uniformity in the appearance, everywhere equal in value, and just as sected as public and private credit combined can make them.

First—This uniformity in the appearance of those who cannot read, to recognize the currency wherever met, and to leed perfectly secure in receiving it without the percention lately necessary, of constantly consulting the Weekin Bank Nate Reporter, or a broker's circle. Owing to the fact that entirely different plates and devigos are used in printing the bills of different comminations, it is impossible to after national bank notes from a lower denomination to a higher. And the Trends of the producing a currency incapable of being counterfeld that there is not now one dangerous counterfeld extant where, under the old system, there were a hundred. How great an improvement this is over the old condition of affairs, let the thousands of hard-working men answer, who, in the days of a mixed and badly printecjournersey, have found perhaps their lass five dollar hole to be a workiness chea.

On the country, by giving to the currency of every State and section the same value and credit abroad that it has at home. The note issued by the national bank of the country and at all times is a feature which, of itself, annually saves the people millions of dollars. It removes every obstacle to a system of cheap exchange between the various parts of the country, and and scholar distributions of an abscure Western village is just as current in New York or New Orleans has the note of a national bank of New York ore New England is secepted by the interest per country and continued to IL-CHARACTER OF THE NATIONAL BANK CURRENCY.

time." Traceson your hash in bask hoses dis "Certainly," replied the cashier, the bank having just received its circulating notes from Washington, and be counted out the required amount in the notes of his own bank and handed them to Mr. Schmidt. The latter deposited the new currency carefully in his walsto-at pocket, pinned it hat, and was about to de-part, when it occurred to the cashier to ask him why in the world he should prefer national bank notes to greenbacks. The farmer took the profered chair and proceeded to state his reasons somewhat as

vell. Mr. Vier, I bin readin the law of Congress, vichanthorize these nash'nai banks, and I bin studyin' it, too. Den I bin studyin' Mr. Cooke's lectle book apont how to organize these banks, and set 'em g.irg. Und I te is you vat I finits-I finits the nash'nai bank notes ish te pesht—petter as green-

What in the world brings you to that conclusion? said Mr. Wier, to whom the view was a new one.

"Veil," was the reply, "greenbacks ish goot, very goot, goot enough for any body; but I belief the notes of your mash hal bank ish leetle petter, because I finds in the law that pefore its bank can issue one tollar of circulation, it must deposit mit the Treasury at Washington one tollar and ten conts in Government bands on do if its bank can be supported by the bank is not so that the treasury at the bank and ten conts in Government. bonds, and so if the bank wants to bause one hundred tousand tollars, it must deposit mit Mr. Shpinner. United States Treasurer, one hundred and ten tousand Cousing tollars, it must deposit mit air, Shpinner United States Treasurer, one hundred und ten tousand tollars in bonds to secure that circulation; so if the bank runs away und don't pay, the notes of the Covernment will pay 'em. Und this margin of ten per cent must always be kept goot, if the bonds goes down in the maket denie banks must deposit more mit te Treasury to keep te bonds always wort ten per cent, more as to circulation. Vell that make te nash'nal bank notes locat so goot as greenbacks, and ten per cent, more, only they sh not legal-tender. Den, Mr. Velr, I flux on der nash'nal bank notes te great seal of our Government, und te names of Mr. Sphinner and Mr. Colby—te same which is signed on te greenbacks; und dese gentlemen say on all the bank notes that dese notes vill be received by the United States in payment of all dues except gold customs, and vill pe paid out py te Government in payment of all debts except gold interest. Vell, that makes 'em so goot as greenbacks wice.

"Den Mr. Vier, I looks on dese nash'nal bank notes."

interest. Veil, that makes 'em so goot as greenbacks twice.

"Den, Mr. Vier, I looks on dese nash'nal bank notes in mine booket und I sees your name und te name of Mr. Kerr, de president of dis pank, und I knows your poth isb goot honest men, und I knows your names on de notes makes de pank liable for de payment just as mooch as if de Government van not held for 'em.

"Veil, I finds all dis'is true, Mr. Vier, und someting more. I finds dat every stockholder in dis pank is liable for te 1 otes und debts of de pank to de amount of der six ck. Und den I begins in open mins eyes, for I lish a stockholder myself, and I find my farm isn mortgaged to pay the bilis of dis pank. Den I knowsnest de other sto's holders of dis pank. Den I knowsnest de other sto's holders of dis pank, und cey ish goot soild men, mit broperty. So you see, ar, Vier, dat pefore my nash nat bank inches can proke, de governe ent bonds, mit ten ber cent, margin, must git wort noting at all; de United States Government must git ban't rapt und be a scoundral, too: de broberty et de pank must all pe lost, und de broberty et all dese stockholders must pe used up.

"Dat Am, Vier, is vy I calls te nash'nal pank poles te

tockholders must pe used up, "Dat, Mr. Vier, is vy I calls te nash'nal pank notes te "Plat, Mr. Vier, is vy I calls te nash'nal pank notes te pesht."

Mr. Wier, experienced banker as he was, had received from the shrewd old farmer new views of the national banking system and fuller appreciation of the protection which this system throws around the people as the holders of the national currency. In a word, the national back notes are to all finents and purposes a joint obligation, ac'ing as a tirst lien upon the Treasury Separament, upon all the assets of the bank or corperation, and upon the private fortunes of the bank stockholders to the amount of their stock. Do the American people realize that in this currency they have the most accure circulating medium ever devised or likely to be devised?

But suppose that a national bank, from any cause, his ends business and goes out of existence, what becomes of its circulating notes? They contione to pass at par as before, wholly unaffected by the suppose of the circulating notes? They contione to pass at par as before, wholly unaffected by the supposar; for the United States bonds ple iged for their redemption still remain deposited in the mational Treasury, and will so remain until the scattered notes are eathered up and redeemed at par by the Treasury Department.

In this connection I may as well refer to the remark

Department.
In this connection I may as well refer to the remark

Certain r ghts and partity by composition.

Gevernment to the old banking corporations if they would surrender their State charters, retire their circuistion, and organize under the uniform plan now known as the national banking system. Where these inducements were insufficient to effect the change the stimulus of force was applied in the shape of a special tax on the circulation of all State banks.

One of those conditions on which the State banks surrendered their charters, and conformed them seives to the rational plan, was the pledge from the Government that they should be permitted to issue a certain assumt of circulating notes. Particular mention is here made of this one condition of the shape from the old system to the new, because from it is drawn the chief argument of the opponents of the National Banks, and also in order that the condition mentioned may at the outset appear in its true character, as one of the terms of the contract be tween the National Government and the old banking order that the old plan to the new was rapid and complete. The immediate results of the change, aithough important beyond measure, may be

III.—RUBSTITUTION OF GREENBACKS FOR NATIONAL.

Your third question touches a part of the subject which most interests the people at the present time, and which is most discussed and least understood by a certain class of politic lans. My answer is this—

First—Even if it were true that the Government is paying eighteen millions annually into the coffers of the national banks which could as well be saved to the people by a substitution of greenback currency, yet it won, due far better to pay this sum than to have the greenback of Treasurs note system permanently fastened upon the country. I regard the issue by the Government of legal-tender notes, to be used as a circulating medium, as an anomaly in finance. It was purely a war measure, lost fibe ofter war measures should end with the return of prosperous peace. It is not desirable that the greenbacks be immediately or suddenly withdrawn, but they should be gradually and surely replaced with a currency which is legitimed and permanent.

Necond—it was an important part of the contract

and surely vellaced with a currency which is legitimate and permanent.

Scond—it was an important part of the contract between the Government and the old State banks, when the latter surrendered their State charters, that if they organized under the new national system they should be entitled to a certain proportion of circ lation. This was also the principal inducement offered for the formation of new banking institutions. Without this piedge of circulation few if any of the old banks would have surrendered their State charters, and it would have been impossible to establish the national system at all. That circulation cannot now be taken away without a palpable breach of faith towards the combined capital of the nation—such a breach of faith as would ever after render capital timed, csullous, and backward in its dealings with a Government which would thus disregard its pledges, However plaus bis the proposition may seem, the pe pie cannot possibly be benefited by any financial measure which practically repudiates the contracts of their Government.

pe ple cannot possibly be benefied by any financial measure which practically repudiates the contracts of their Government.

There—I bis claim would be equally good against any system of banking, for the actual point of the argament is that so long as there shall be a national debt the Government ought to supply all the currency of the country, in order to save interest. Suppose the old State bank asstem were now in existence, with three hundred millions of compratively unsecured currilation, there would be still stronger reasons why the Government should force the State banks to retree their circulating notes, and itself supply the needed currency. The possite would, in this suppose, of se, save just as much interest as they would now save by retiring the national bank notes. Hence, the real question is: Shall we have any banking system at all? for it the present excellent as stem be destroyed, it would be impossible to originate another which would not be open to the same objections. If an exclusively greenback currency be adopted of course we can have no system of banks, either State or national, having the privilege of circulation.

Fourth—But it is not true that the Government would annually save eighteen millions of dollars, or any part of that sum, by desiroying the national banking system, and basing greenbacks in place of the national bank cu rency now in circulation.

This fact, which I shall soon substantiate, indicates how little this subject is understood by those who are most persistent in their attacks upon the present system of banking.

It is not a question whether the Government ought.

This fact, which I shall soon substantiate, indicates how little this subject is understood by those who are most persistent in their attacks upon the present system of banking.

It is not a question whether the Government ought, or ought not, to pay to the banks the Interest on the United States bonds owned by them, and deposited at Washington to secure their circulating notes. These bonds are the private property of the banks—the agglomerated capital of individuals who have thus unsted their means in a legitimate business—and no matter who held these Government securities, the interest would have to be paid all the same. The national banks are just as much eptided to the interest on the United States bonds they have bought and paid for, as are the farmer, the mechanic and the merchant to the interest on the bonds held by them.

It being plain, then, that the Government confers no special privilege upon the banks by simply paying them interest on the United States bonds they hold, it becomes necessary to look further for the "favoritism" and loes to Government of which we hear complaint. My statement made above being necessarily admitted it will be claimed that national banks are permitted to issue three hundred millions of circulating notes, which amount they loan to their customers at an average interest of ax per cent,—thus in reality receiving a double interest on a single investment of three hundred millions of dollars. Then follows the additional cialm that the Government may just as well supply this three hundred millions of circulation, and with it buy up and cancel an equal amount of United States bonds, thus saving to the people the eighteen millions of annual interest.

This has a plausible look and misleads many. By this showing the banks stand charged with eighteen millions of annual interest derived from their circulating notes, which amount, if it really be received and to equivalent be rendered by the banks, is virtually a aratuity or special privilege enjoyed by the national banks of the banks

will snow:—
The very law which authorizes the national banks to issue circulating notes at all also requires and com-

The very law which authorizes the national banks to leave circulating notes at all also requires and compels them to keep constantly in their vanits an average of twenty per cent. (twenty-five per cent. in chies and litteen per cent. in the country) of the amount of that circulation as a reserve. Here are sixty of the three hundred millions of circulation lying litle in bank the year round, and the amount on which the banks can receive interest is thus reduced to two hundred and forty millions.

Again, the same law requires and compels the banks to keep a reserve equal to twenty per cent, twenty-five per cent, in cilies and fifteen in the country) of the average amount of their deposits, both public and private; and this reserve must be in lawful money. The average total of deposits during the last year was \$571,1000 to thus \$114 000,000 of the non-interest bearing legal-tender notes were carried by the banks during the past year, which sum is a just offset to that amount of circulating notes received from the Government by the banks. This deducted from the \$250,000,000 leaves only \$125,000,000 of the \$300,000 of circulation available to the banks as the result of a balance-sheet between themselves and the Government on this question of circulation. Six per cent, interest on \$126,000 000 is \$7,560,000. This latter amount, then is the sum total of the profit which the banks can derive from their circulation so long as the Government has legal tenders which it whenks to have carried without interest.

Fome may object to my thus coupling the reserve required to be held for deposits with the reserve for circulation. This objection might have some weight it the Government were not little grown notes. Thus this amount of \$14,000,000 is a fair deduction from the circulation which the banks are allowed to issue.

But there still remains an apparent profit of \$7,560,000, derived by the banks from their circulation. What have the banks to offset to this seeming subsidely?

First—They pay to the National Treasury one per cent, per annum (one-balf of one per cent, semi-annu-ally) on the whole amount of their circulation, say

Ally on the whole amount of their circulation, say \$3,00.000.

Second—They pay to the National Treasury one-half of one per cent. Per annum on the average amount of their deposits, which, as the deposits has year averages \$571,000.000, amounts to \$2,850,000.

Third—They pay a national tax on their capital stock, over and above that invested in government bonds, which tax last year amounted to \$400,000.

The above three items are required by section 41 of the amended National Currency act.)

Fourth—They pay a tax of one-half of one per cent, per annum on the net amount of dividends and amount carried to surplus fund, which tax for the past year amounted to \$3,20,000

Fifth—They pay a license tax of two dollars on Svery one thousand dollars of capital. The aggregate of pational bank capital, as last reported, is \$124,000,000, and the license tax on this is \$948,000.

(The five sums above named amounting to \$10,400,000, are paid by the banks directly into the national treasury, and they alone exceed the amount charged against the banks as profits on their circulation by two millions eight hundred and forty-three thousand dollars (\$2,843,000).

Sixth—In addition to the above items of national

against the banks as profits on their circulation by two millions eight hundred and forty-three thousand dollars (\$2.843,000).

Sixth—In addition to the above items of national taxation the banks paid during the past fiscal year a State and local lexation, as shown by returns to the Comptroller's department, amounting to about eight millions of dollars—\$5,000,000.

Thus I have shown that in the items of State and national taxation the national banks are annually paying back to the people nearly eleven million dollars more than they annually receive in the way or interest on their circulation.

The public will notice that none of these facts have been even referred to by those who have of late undertaken to discredit the national banking system.

It is true that the National Bank notes are all printed at the expense of the Government, for the double purpose of securing uniformity and of preventing over issues; but to compensate for this I have purposely left out of the above list many items which might otherwise have added materially to the aggregate paid by the banks to the Government for the the interest.

purposely left out of the above list many items which might otherwise have added materially to the aggregate paid by the banks to the Government for the privilege of their existence. One of the most important of these liems which I have omitted is the gravitous services of the banks in receiving, transmitting, and dabursing the Government revenues.

The depository banks have, during the past year, transferred to the Treasury, from all parts of the country, the vast sum of \$580.602.8452—at least ninely per ont of it without any cost to the Government. Had this work not been performed by the depository banks, an immense expenditure would have been entailed upon the revenue department for additional clerk hire, vaults, safes, express charges, etc. Easides the above, there is the item of revenue stamps connumed by the banks. I consider these two items as alone fully equal to the cost of engraving and printing the National Bank currency.

For the purpose of showing at a glauce the result of the above statements, the following recapitulation is and the Government the banks attand credited with legal tenders held by the banks as an edited with legal tenders held by the banks as a reserve.

2—Six per cent. Interest on \$114,000,000 in legal tenders held by the banks as a reserve.

2-Six per cent. interest on \$60,000,000 held as reserve for circulation.

3,600,000

To um up the whole matter in a word—the Ameri To um up the whole matter in a word—the American people, by destroying the national banking system, returing the national bank currency and substituting greenbacks therefor, would lose more in actrevenue alone now paid to the Government by the banks than they would gain in the cancellation of their own interest—bearing notes. This statement of the case can be comprehended by all and cannot be dealed by any. And this is leaving wholly out of view the fir greater lose which the people would suffer by the destruction of the present noble system, and a return to the financial confusion and insecurity of other times. It seems to me impossible that any large portion of the American people, after fully unders anding the facts in the case, can advocate the abolition of the national banking system, unless they are deliberately determined to commit financial suicide.

IV.-PRESENT POSITION OF THE NATIONAL BANKS.

IV.—PRESENT POSITION OF THE NATIONAL BANKS.

Those banks that have changed from the State to the national system, having given up their former and much larger liberty of circulation and deposits, together with the new banks, find themselves threatened with being deprived not only of their national circulation, but also of their positions as fiscal agents of the Government.

The profits of the banks during the war, like those of almost all branches of business, were large and unusual; but as matters now stand, I think I only express the opinion of bank officers generally when I state that, in view of the aggregate of taxation already imposed upon their profits and business, the national banks cannot, for the immediate fature, declar eaverage annual dividends of more than seven per cent, and do a safe and legitimate banking business.

per cent., and do a safe and legitimate banking business.

These national banks constitute now our only system of banking, and are interwoven with all our business and industrial interests. So far as the officers and stockholders of the national banks are concerned, I venture to express my belief that a large majority of them would, if it were a mere question of profit, gladly return to the old State system, could they be assured of the same privileges formerly enjoyed under it. Are our merchants, farmers, methasics and workingmen generally prepared for such a change? For such a change they will have it they do not raily to the support of the national system. Already, I understand, an enabling act has been applied for, or has been thanked from the Legislature of New York to enable the banks of that powerful Commonwealth to return to their former condition as State institutions.

The fact is, the stringency of the National Banking

been applied for, or has been chained from the Legislature of New York to enable the backs of that provering Commonwealth to return to their former conditions as State institutions.

The fact is, the stringency of the National Banking law, the reduced liberty of circulation, the computatory reserves of funds, the State and halfonal taxation—all combine to render the present system much more favorable to the people, and less attractive to the banker, than that formerly in vogue.

The 1 umber of national banks now in existence, and good standing is 16.9, having an aggregate capital of \$13.040.00. These depository banks accombined to public moneys is 333, having an aggregate capital of \$13.040.00. These depository banks had on deposit at Washington. July 1, 1867. as security for Government deposits with the banks, United States bouds of various issues amounting to \$13.040.400 or various issues amounting to \$10.040.000 or various issues and inverper cent. bonds amounting to \$10.040.000 or various indicated the inauguration of the system are nine having an aggregate capital of \$1.0000.000.000. The lational banks that have failed since the leauguration of the system are nine having an aggregate capital of \$1.0000.000.000. The lational banks have failed, and others will do so in the future, for the simple reason that any business and with any system it is impossible to mar, at all times, against the capidity and dishonesty of agents. If a dishonest bank officer chotses to abscond with the funds of his hank, it i

V.—SUPERIORITY OF THE NA TIONAL BANK SYSTEM.

The superiority of the national over the State bank system has been quite tally discussed in my a is wers to previous questions, and I can ofly recapitulate here. The State system involved this grave error, that it gives thirty-six mutually independent powers control over a vital public interest which is indivisible and strictly national in its character. If the currency of one State never circulated in another, but were always confined within its own State limits, then a State system might be the proper one; but these State bank notes (in the event of the re-establishment of the State bank system), whether good or bad, would become a part of the nation's currency, and the people of all the States would be equally interested to have them well secured, which would be entirely impracticable. A subject which thus interests all the reople of the country equally, and which in its workings pays no attention to State lines, should surely be under national control, in order that all the people may share in determining through their central Government the character of the currency they must use.

Under the State system there is no check upon unduc expansion or contraction, and thus a degree of uncertainty is constantly imparted to the financial future. Under the national plan the volume of the currency is determined by Congress, and is only increased or diminished as the needs of the people and the business of the country require. Thus stability and comparative certainty are secured and public confidence maintained. Under the State system the currency question places a constant temptation to corruption before thirty-six different legislative bodies; under the national legislative, and as the present law is framed and with the gaze of a nation conscinated upon Centrescy is unlike in appearance, has the same value in all parts of the land, and is no perfectly secured in all parts of the land, and is no perfectly secured in all parts of the land, and is no perfectly secured in V.-SUPERIORITY OF THE NA TIONAL BANK SYSTEM

cured that bill-holders do not and cannot lose anything.

As to the superiority of the present system over the United States Bank, little need be said, as few, if any advocate a return to the latter. But the National system possesses all the advantages, with few, if any, of the objectionable features, of the old United States Bank. Indeed, the national system is a golden mean between the State system and the United States Bank, combining the excellencies of both. It combines the unity of action and general control, and the uniformity of currency—which were the best features of the United States Bank—with the diffusion of issue and freedom in ional management which characterize the State system. Considering the present extent of our country, and

Considering the present extent of our country, and the present and prospective magnitude of its business interests, Iregard the establishment and maintenance of a United States Hank as next to a financial impossibility. Besides, it is not the province of any Gavernment to be the banker of the people. The people can do their own banking best; but Government should so far interiers at to systematize, control, and regulate the banking institutions of the country, and to secure to all that our Government does through the National Benking act, and all that it proposes to do.

The National Banks are totally non-political in their organization and tendencies. My observation has been that men of all political parties are found among bank officers, directors, and stockholders in about the same proportion as they are found in any branch of enterprise or industry. This one fact renders it simply impossible for any political or party movement to be organized in, inrough, or by the National Banks.

OFFICIAL SHOULD THE NATIONAL BANKING SYSTEM BE PERPETUATED?

My answer to this question may be inferred from all that goes before, but further reasons will suggest themselves to all who are witnesses of the benedic's results of a sound and well regulated system of banking. No country can be prosperous, and keep up with the march of civilization which has not such

In conclusion I would earnestly urge on all parties and persons the adoption of the idea that the perpetuation of the national banking system should not be regarded as a party question, but a subject in which all like are deeply interested. If any better a som of finance can be originated, Democrats and Republicans are alike interested in its substitution: but it is my firm conviction that, after a tew contemplated amendments shall have been made to the present banking law, the national system will be as nearly perfect as it is possible to render any system of banking.

fifthe reasons I have given above shall in any way conduce to the withdrawal of the subject from the arena of party strife, help to strengthen the confidence of the friends of the system, and to gain over to it the good will of the masses who are no despity increated in its perpenualion I shall be gratified at this opportunity of expressing my views.

Very truly, yours,

JAY COOKE.

Very truly, yours, JAY COOK E. To Messrs, A. H. Moss and L. S. Hubbard,

FINANCE AND COMMERCE.

OFFICE OF THE EVENING TELEGRAPH, Wednesday, Oct. 23, 1867, Wednesday, Oct. 23, 1867. f
The Stock Market opened very dult this morning, and prices were unsettled and drooping. Government bonds were a shade higher. July, '65, 5-20s sold at 106‡, a slight advance. 100‡ was bid for 10-40s; 104‡ for June and July 7-30s; 111½ for 6 of 1881; 112‡ for '62 5-20s; 109 for '64 5-20s; and 109‡ for '65 5-20s.

City loans were unchanged; the new issue sold at 1012, and old do. at 98, no change.
Railroad starce, as we have noticed for some time past, continue the most active on the time past, continue the most active on the list. Reading sold largely at from 484@48\$, closing at the former rate, a decline of \$\frac{1}{4}\$; Camden and Amboy at 124\$, no change; Lehlan Valley at 51\$, a decline of \$\frac{1}{4}\$; and Pennsylvan a Railroad at 51\$, a decline of \$\frac{1}{4}\$; day was bid for Norristown; 58 for Minchill; 30\$ for North Pennsylvania; 30 for Elmira common; 41 for pre-

for Philadelphia and Eric.

City Passenger Railroad shares were unchanged. 64 was bid for Tenth and Eleventh;
30 for Green and Coates; and 12] for Heston-

Bank shares were firmly held at full prices 108 was bid for Seventh National; 245 for America; 142\(\frac{1}{2}\) for Farmers' and Mechanics'; 58 for Commercial; 110 for Kensington; 55 for Penn Township; 594 for Girard; 90 for Western; 314 for Manufacturers'; 50 for City; 44 for Consolidation; and 62 for Commonwealth.

In Canal shares there was nothing doing. 374

was bid for Lehigh Navigation; 35 for Morris Canal; 90 for preferred do.; and 14 for Susquehanna Canal.

Quotations of Gold—10\(\frac{1}{2}\) A. M., 143\(\frac{1}{2}\); 11 A. M. 143\(\frac{1}{2}\); 12 M., 143\(\frac{1}{2}\); 1 P. M., 143\(\frac{1}{2}\). PHILADELPHIA STOCK EXCHANGE SALES TO-DAY Reported by Dehaven & Bro., No. 40 S, Third street

Reported by Dehaven & Bro., No. 40 S. Third street FIRST BOARD.

\$2750 Pa 58, 1 series ... 103\(\) 100 sh Reading ... 4
\$300 Pa 58, W L.Cp. ... 102 100 sh Reading ... 4
\$1000 City 58, New ... 101\(\) 500 do ... 500 ... 4
\$500 N Penna 98. ... C. 57
\$100 do ... 85
\$100 do ... 85
\$200 do ... 1880. 4
\$50 sh Cam & Am ... 121\(\) 100 do ... 18. 4
\$50 sh Cata Pri. 27 200 do ... 18. 4
\$10 sh Penna 8. ... 51\(\) 100 do ... 18. 4
\$10 sh Penna 8. ... 51\(\) 100 do ... 18. 4
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-Messrs. Jay Cooke & Co. quote Govern ment securities, etc., as follows:—U. S. 6s of 1881, 1111@1114; old 5-20s, 1121@1121; new 5-20s, 1864 1083@1091; do., 1865, 1001@1003; do., July, 1063@107; do., 1867, 1063@107; 10-40s, 1003@1003; 7:30s_June_ 1044@105; do., July, 1044@ Gold, 1434@1434.

-Messrs. De haven & Brother, No. 40 South -Messrs. De Haven & Brother, No. 40 South Third street, report the following rates of ex-change to-day at 1 P. M.:—U. S. 6s of 1881, 111; @111g; do. 1862, 112; @112g; do., 1864, 108; @ 109; do., 1865, 109; @109g; do., 1865, new, 106; @ 107; do., 1867, new, 108; @107; do. 5s, 10-40s, 100@100; do. 7'30s, June, 104; @105; do., July, 104; @105; Compound Interest Notes, June, 1864, 119'40; do., July, 1864, 119'40; do. August, 1864, 119'40; do., October, 1864, 119'40; do., October, 1864, 119'40; do., October, 1864, 119'40@119½; do., December, 1864, 118½@118½; do., May, 1865, 117½@117½; do., August, 1865, 116½@116½; do., September, 1865, 115½@115½; do., October, 1865, 115½@115½; Gold, 143½@143½. Silver, 137@1384. Silver, 137@1384.

-Mesars, William Painter & Co., bankers, 36 S. Third street, report the follow-No. 36 S. Third street, report the following rates of exchange to-day at 12 o'clock:—
U. S. 6s. 1881, 111;@111; U. S. 5-20s, 1862, 112;@112; do.. 1864, 108;@109; do., 1865, 109;@109; do., 1865, 109;@109; do., July, 1865, 106;@107; do. July, 1867, 106;@107; 5s. 10-40s, 100@100; U. S. 7-30s, 2d series, 104;@105; 3d series, 104;@105; Compound Interest Notes, December, 1864, 1882, May 1866, 117; August 1865, 116; San 118; May, 1865, 1174; August, 1865, 1164; tember, 1865, 1152; October, 1865, 1154.

-Mr. Boucleault is writing a new drama, which will be originally produced in America, under the direction of Mr. Henry Palmer.

LATEST SHIPPING INTELLIGENCE.

For additional Marine News see Third Page. PORT OF PHILADELPHIAOCTOBER 23, STATE OF THERMOMETER AT THE EVENING TELE-CLEARED THIS MORNING.

Brig Alfaretta, Bibber, Boston, Broad Top Steambout Coal Co. Schr N. E. Clark, Clark, Boston, Mammoth Velo Coal Schr W. S. Thompson, Yates, Georgetown, Van Dusen, Lochman & Co. Schr M. A. Grier. Fleming, Tompkins' Cove. do. Schr Emma M. Fox, Chase, Fall River, Sinnickson & Schr Nellie Potter, Somers, Charleston, J. G. & G. S. Schr Caster Heft, Shoe, Fredericksburg, Blakiston, Graeff & Co. Schr T. G. Smith, Lake, Roxbury, Repplier & Bro. Schr J. A. Birkle, Hemmingway, Hartford, Hartford Gas Co. Schr H. G. Fly, McAllister, Fortress Monroe, via Gos-Schr H. G. Fly, and Attack, Toveress Modroe, via Gos-port. U. S. Quartermasser, Schr Charm. Starr, Georgetown. Captain, Schr H. Little, Godfrey, Norfolk Navy Yard, Captain, Schr D. E. Wolfe, Dole. Leechville, Captain, Schr M. V. Cook, Falkenburg, Boston, Captain, Str Diamond State, Robinson, Baltimore, J. D. Ruoff,

ARRIVED THIS MORNING. Steamship Tonawanda, Jennings, 70 hours from Savannah, with cotton, etc., to Philadelphia and Southern Mail Steamship Co.
Echr S. H. Cady, Wood, 8 days from Saco, with heading to S. & W. Weish.
Schr F. L. Forter, Smail. 4 days from New Loudon, with mose, to U. S. Crowell. Schr Three Sisters, Parker, from Dorohester, in bal-last to J. T. Justus, Schr T. G. Smith, Lake, 6 days from Boston, in balr J. A. Birkle, Hemmingway, 5 days from Sea-

Schr J. A. Birkle, Hemmingway, 5 days from Seabrook, in ballast to captain.

Schr N. E. Chark, Clark, from Fair Haven.
Schr E. M. Fox. Case, from Greenport.
Schr M. V. Cook, Falkenburg, from Boston.
Schr Reanoke, Barrett, from Georgetown.
Schr Charm, Starr, from Wilmington.
Schr M. A. Grier, Fleming, from Odessa.
Steamer H. L. Gaw, Her, 13 hours from Baltimore, with mose, to A. Groves, Jr.
Steamer W. Whilidin, Riggans, from Baltimore, with mose, to J. D. Buoft.

MEMORANBA.

Barque Thomas Whitney, Westerdyke, hence, at
Barbados 13th uit.
Brig S. V. Merrick, Worden, hence, at Key West7ih
instant. Brig Anna, Morrow, hence, at Clenfueges 9th Inst. Ethr Eva May, Richards, hence for Portland, at New York yesterday, Ecbr Argus Eye, Townsend, hence, at Key West 16th Instant. Schr Argus Eye, Townsend, hence, at any mainstant, instant, Schr L. Holmes, from Kingston for Philadelphia, sailed from Newport 19th inst.
schr J I. Worthington, for Philadelphia, sailed from Norwich 2ist inst.
Schra Northern Light and J T. Price, for Philadelphia, sailed from Providence 2ist inst.
Schr Wreath. Cole, for Philadelphia, sailed from Pawtucket 2ist inst.
Schr Ocean Wave, for Philadelphia, sailed from Nawport 20th inst. Newport 25th inst.
Schr J. H. Moore, Nickerson, for Philadelphia, cleared at Boston list inst.
Schr Dauntless, Coombs, for Philadelphia, cleared at Sangor 19th inst.
Schr Dauntless, Coombs, for Philadelphia, cleared at Sangor 19th inst.
Schr H. W. Benedict, for Philadelphia, sailed from Newport 19th inst.

DOMESTIC PORTS.

New York Oct. 22—Arrived, steamship Aleppo,
Harrison, from Liverpool.

Steamship Arisona, Maury, from Aspinwall,
Steamship Raleigh, Marshman, from New Orleans.

News from the South Atlantic Squadron. WASHINGTON, |Oct. 23.—Resr-Admiral Davis, commanding the South Atlautic squadron, re-ports to the Navy Department, from on board the flagship Guirriere, Rio de Janetre, August 29, that on Wednesday, the 28th of that month, the Brazilian Minister, and Secretary of State for the Navy, visited that ship, accompanied by a large civil and naval staff. and were received with the appropriate bonors. His Excellency passed more than an hour and a bail on board, and examined the ship very thoroughly, with many expressions of

interest and satisfaction,
Further descatches from Rear-Admiral Davis
report the health of the squadron as very good. Nothing of other interest than the above-men-

tioned had occurred.

Rear-Admiral Thatcher, Commanding the North Pacific squadron, reports, under date of San Francisco, September 30, the following dis-position of the vessels under his command:— The Lackawanna was on her return to Hono-lulu from Brooks Island. The Osipee was en route to Alaska. The Mobican was repairing at Mare Island: the Besaca on her voyage to Sitka; the Saranac cruising on the west coast of Mexico; the Suwanee in the Gulf of Mexico, but under orders for Panama; the Saginaw was repairing at Mare Island; the Jame-town was at Ajaska. the Mohongo awaiting officers and crewoff Mare Island; and the Cyane precuring for Panama. The Pensucola, flag-ship at the date mentioned, was off San Francisco.

Arrival of Steamers.

New York, Oct. 23 .- Arrived-steamers Borussia, from Hamburg; Ville de Paris, from Havre, and the Columbia, from Nassau.

From New Hampshire.

Concord, N. H., Oct. 23,-Arrangements are being made here for the reception of General

Sailing of the Cuba.

Boston, Oct. 23.—The Cuba sailed to-day for Liverpool, but took no specie. She has sixty-two passengers for Liverpool, and twenty-five

WASHINGTON, Oct. 23 .- General Skinner, the First Assistant Postmaster-General, is somewhat

From Vermont.

BURLINGTON, Vt., Oct. 23.—Charles Walcott, Jr., of Burlington, fell from the cars of the Ver-mont Central Raliroad yesterday, and was

A Ship Ashore.

New York, Oct. 23 .- A ship carrying Thomas Dunham's signal, went ashore near Fort Hamilton this morning. Two Brothers Drowned.

CONCORD, N. H., Oct. 23.-Charles and Horace H. Rolle, brothers, were drowned near Laconia yesterday by the apsetting of a boat.

The Prince Napoleon Dinner at the White House.

The Commercial has not that story right. Some time after the dunner, Caleb and that story right. Some time after the dunner, Caleb and that story right. Some time after the dunner, Caleb and that story right. Some time after the dunner, Caleb and that the secretary of the Interior, called on Secretary reward. "Seward," said be, "that bill of Gautier's (the French restaurateur) has been sent in to me again; the old woman (meaning Mrs. Lincoln) refuses to pay it, and sends him to me, and I have no authority to pay it out of the money appropriated by Congress for repairs, stability, said seward, "to avoid scandal, we had better divide it between ourselves and pay it. It is only eighty seven dollars and a half aplece, and we can both afford that, I think," "By Jovel" said the Secretary of the Interior, it is \$300 aplece; this bill is 1600." "Weil," said the Secretary of State, "I do not see how that can be; I had the same guests at my dinner; it was precared by the same man, Gautier, if anything was different between the two, the extra cost was in my favor, for I had better wines than they had at the White House, and my bill was \$175. If this is so, I will not pay one half of the bill, neither, and let things take their course." The bill was not paid by anybody at the White House, and the restaurateur was importunate. At last Mrs. Lincoln sent for the Secretary of the Interior. "Mr. Smith," said she, "I'll tell you how that little bill can be set led. You see, there are three cavalry regimens stationed on our property (the large mall back of the White House, Now those boises have left heaps of manure, and it all belongs to us. Now you want manure for the public grounds, particularly those around the White House. Now, I will sell it all to you for \$600 for gardening purposes. You send me the money and I'll pay Gautier."

Gautier."

It is probable that Gasparin Laboulaye and other eminent French people who admired the late Prealdest, would not have presented Mrs. Lincoln with the memorial gold medal which came over, had they known how the bill was paid for the dinner to Prince Napoleon,—N. Y. World.

The New Governor of Demerara-Commercial Failures-The Black Vomit-Coolles Going Home With a Fortune.

GEORGETOWN, Sept. 30, via Havana, Oct. 22 -His Excellency Governor Hicks has justarrive: to take charge of the Executive, and there is great public rejoicing. The late conflagration has induced many commercial failures. The black vomit" is raging. It has taken off eight victims in a fortnight. Five hundred Chinese and East Indian coolies who have served on the term of their apprenticeship have availed themselves of the provisions of the law, and taken their departure for home, being shipped by the immigration agents. They carry with them a net saving of earnings amounting to

Good Harvest Prospects in Jamalea-Proposed Conference with the English Colonial Office.

Kingston, Jamaica, Oct. 19, via Havana, Oct. 22—The ripening crops all over the island promise for the most part an abundant yield. His Excellency Sir Peter Grant proposes to make a trip to England, in order to confer with his Grace the Duke of Buckingham, Secretary of State for the Colonies, on the future policy to be observed in the government of the Island. Should the Governor carry his idea into execution, the executive authority here will be vested r Henry Storks, as his substitute, during his absence.

Markets by Telegraph.

New York, October 23.—Stocks are heavy. Chicago and Rock Island, 105; Reading, 107; Cane. n Company, 405; Evic 71; Cleve and and Pittsourg. 51; Michagan Central, 1085; do S uthern 707; New York Central, 105; Hilmos Central, 225; Camberland preferred, 28; Virginia 68, 46; Mussouria, 107; Hudson River, 127; United States Five-tweoties, 1862, 1175; do, 1865, 1082; Ten-for les, 1604; Seven-thirties, 105; Sterling Exchange, 109. Money, 7 per cent. Gold, 1435.

Philadelphia Trade Report.

WEDNESDAY, Oct. 23 .- There is no vitality in the Flour Market, and prices are nominally in favor of buyers. The shippers have waited in anticipation of a decline, and the home consumers operate with great caution. Sales of a few hundred barrels at \$7.50@8.25 for extras \$10@11:50 for Northwestern extra family, and \$11@12:50 for fancy brands according to quality. Rye Flour sells at \$8.75@9:25. Nothing doing in

Rye Flour sells at \$875@9-25. Nothing done Corn Meal.

The Wheat Market is dull, and prices continue to droop. Sales of Red at \$273.092.65 for tinue to droop. Sales of Red at \$273.092.65 for tinue to droop. Sales of Red at \$273.092.65 for tinue to droop. Sales of Red at \$1.000.00 for Corn—The demand is commands \$1.70.09175. Ourn—The demand is timited and prices are weak. Sales of yellow itmited and prices are weak. Sales of yellow itmited and prices are weak. Sales of yellow itmited and prices are weak. Sales of sole, with sales of \$1.000 bushels Southern and Quiet, with sales of \$200 bushels of the former at \$1.45.001.00 oushels of the former at \$1.45.00 for the latter at \$1.60. No. 1 Queroitron Hark is beld firmly at \$55 No. 1 Queroitron Hark is beld firmly at \$55 per for.

whisky-Prices are nominally unchanged.