

TREASURY DEPARTMENT,
December 13, 1790.

In obedience to the order of the HOUSE OF REPRESENTATIVES of the 9th Day of August last, requiring the SECRETARY of the TREASURY to prepare and report, on this Day, such further Provision as may, in his opinion, be necessary for establishing the PUBLIC CREDIT—the said Secretary further RESPECTFULLY REPORTS,

(CONTINUED FROM OUR LAST.)

BANKS are among the best expedients for lowering the rate of interest in a country; but to have this effect, their capitals must be completely equal to all the demands of business, and such as will tend to remove the idea, that the accommodations they afford, are in any degree favors; an idea very apt to accompany the parsimonious dispensations of contracted funds. In this, as in every other case, the plenty of the commodity ought to beget a moderation of the price.

The want of a principle of rotation, in the constitution of the bank of North-America, is another argument for a variation of the establishment. Scarcely one of the reasons which militate against this principle in the constitution of a country, is applicable to that of a bank; while there are strong reasons in favor of it, in relation to the one, which no doubt apply to the other. The knowledge to be derived from experience is the only circumstance common to both, which pleads against rotation in the directing officers of a bank.

But the objects of the government of a nation, and those of the government of a bank, are so widely different, as greatly to weaken the force of that consideration, in reference to the latter. Almost every important case of legislation requires, towards a right decision, a general and accurate acquaintance with the affairs of the State; and habits of thinking seldom acquired, but from a familiarity of public concerns. The administration of a bank, on the contrary, is regulated by a few simple fixed maxims, the application of which is not difficult to any man of judgment, especially if instructed in the principles of trade. It is in general a constant succession of the same details.

But though this be the case, the idea of the advantages of experience is not to be slighted. Room ought to be left for the regular transmission of official information. And for this purpose, the head of the direction ought to be excepted from the principle of rotation. With this exception, and with the aid of the information of the subordinate officers, there can be no danger of any ill effects from want of experience, or knowledge; especially as the periodical exclusion ought not to reach the whole of the directors at one time.

The argument in favor of the principle of rotation is this, that by lessening the danger of combinations among the directors, to make the institution subservient to party views, or to the accommodation, preferably, of any particular set of men, it will render the public confidence more firm, stable and unqualified.

When it is considered, that the directors of a bank are not elected by the great body of the community, in which a diversity of views will naturally prevail, at different conjunctures, but by a small and select class of men, among whom it is far more easy to cultivate a steady adherence to the same persons and objects; and that those directors have it in their power so immediately to conciliate, by obliging the most influential of this class, it is easy to perceive, that without the principle of rotation, changes in that body can rarely happen, but as a concession which they may themselves think it expedient to make to public opinion.

The continual administration of an institution of this kind, by the same persons, will never fail, with or without cause, from their conduct, to excite distrust and discontent. The necessary secrecy of their transactions, gives unlimited scope to imagination to infer that something is, or may be wrong. And this inevitable mystery is a solid reason for inserting in the constitution of a bank the necessity of a change of men. As neither the mass of the parties interested, nor the public in general, can be permitted to be witnesses of the interior management of the directors, it is reasonable that both should have that check upon their conduct, and that security against the prevalence of a partial or pernicious system, which will be produced by the certainty of periodical changes. Such too is the delicacy of the credit of a bank, that every thing which can fortify confidence and repel suspicion, without injuring its operations, ought carefully to be fought after in its formation.

A further consideration in favour of a change, is the improper rule, by which the right of voting for directors is regulated in the plan, upon which the bank of North-America was originally constituted, namely, a vote for each share, and the want of a rule in the last charter; unless the silence of it, on that point, may signify that every stockholder is to have an equal and single vote, which would be a rule in a different extreme, not less erroneous. It is of importance that a rule should be established on this head, as it is one of those things which ought not to be left to discretion; and it is consequently of equal importance, that the rule should be a proper one.

A vote for each share, renders a combination between a few principal stockholders, to monopolize the power and benefits of the bank, too easy. An equal vote to each stockholder, however great or small his interest in the institution, allows not that degree of weight to large stockholders, which it is reasonable they should have, and which perhaps their security and that of the bank require. A prudent mean is to be preferred. A conviction of this has produced a bye-law of the corporation of the bank of North-America, which evidently aims at such a mean. But a reflection arises here, that a like majority with that which enacted this law, may at any moment repeal it.

The last inducement which shall be mentioned, is the want of precautions to guard against a foreign influence insinuating itself into the direction of the bank. It seems scarcely reconcilable with a due caution, to permit that any but citizens should be eligible, as directors of a national bank, or that non-resident foreigners should be able to influence the appointment of directors, by the votes of their proxies. In the event, however, of an incorporation of the bank of North-America, in the plan, it may be necessary to qualify this principle, so as to leave the right of foreigners, who now hold shares of its stock, unimpaired; but without the power of transmitting the privilege in question, to foreign aliens.

It is to be considered, that such a bank is not a mere matter of private property, but a political machine of the greatest importance to the state.

There are other variations from the constitution of the bank of North-America, not of inconsiderable moment, which appear desirable, but which are not of magnitude enough to claim a preliminary discussion. These will be seen in the plan which will be submitted in the sequel.

If the objections which have been stated, to the constitution of the bank of North-America, are admitted to be well founded, they will nevertheless not derogate from the merit of the main design, or of the services which that bank has rendered, or of the benefits which it has produced. The creation of such an institution, at the time it took place, was a measure dictated by wisdom. Its utility has been amply evinced by its fruits—American independence owes much to it—and it is very conceivable, that reasons of the moment may have rendered those features in it inexpedient, which a revision, with a permanent view, suggests as desirable.

The order of the subject leads next to an inquiry into the principles upon which a national bank ought to be organized.

The situation of the United States naturally inspires a wish, that

the form of the institution could admit of a plurality of branches. But various considerations discourage from pursuing this idea. The complexity of such a plan would be apt to inspire doubts, which might deter from adventuring in it. And the practicability of a safe and orderly administration, though not to be abandoned as desperate, cannot be made so manifest in perspective, as to promise the removal of those doubts, or to justify the government in adopting the idea as an original experiment. The most that would seem advisable, on this point, is to insert a provision, which may lead to it hereafter; if experience shall more clearly demonstrate its utility, and satisfy those who may have the direction, that it may be adopted with safety. It is certain, that it would have some advantages, both peculiar and important. Besides more general accommodation, it would lessen the danger of a run upon the bank.

The argument against it is, that each branch must be under a distinct, though subordinate direction, to which a considerable latitude of discretion must of necessity be entrusted. And as the property of the whole institution would be liable for the engagements of each part, that and its credit would be at stake, upon the prudence of the directors of every part. The mismanagement of either branch might hazard serious disorder in the whole.

Another wish, dictated by the particular situation of the country, is, that the bank could be so constituted as to be made an immediate instrument of loans to the proprietors of land; but this wish also yields to the difficulty of accomplishing it. Land is alone an unfit fund for a bank circulation. If the notes issued upon it were not to be payable in coin, on demand, or at a short date, this would amount to nothing more than a repetition of the paper emissions, which are now exploded by the general voice. If the notes are to be payable in coin, the land must first be converted into it by sale, or mortgage. The difficulty of effecting the latter, is the very thing which begets the desire of finding another resource, and the former would not be practicable on a sudden emergency, but with sacrifices which would make the cure worse than the disease. Neither is the idea of constituting the fund partly of coin and partly of land, free from impediments. The two species of property do not, for the most part, unite in the same hands. Will the monied man consent to enter into a partnership with the landholder, by which the latter will share in the profits which will be made by the money of the former? The money, it is evident, will be the agent or efficient cause of the profits—the land can only be regarded as an additional security. It is not difficult to foresee, that an union, on such terms, will not readily be formed. If the landholders are to procure the money by the sale or mortgage of a part of their lands, this they can as well do, when the stock consists wholly of money, as if it were to be compounded of money and land.

(To be continued.)

PROPOSALS,

By JOHN TRUMBULL,

For PUBLISHING by SUBSCRIPTION,

TWO PRINTS,

From original Pictures painted by himself;

One representing the DEATH of General WARREN,

at the Battle of Bunker's-Hill.

The other, the DEATH of General MONTGOMERY,

in the Attack of Quebec.

IN the battle of Bunker's-Hill, the following Portraits are introduced—

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| <p><i>American.</i>
Major General WARREN,
PUTNAM.</p> | <p><i>British.</i>
Gen. Sir WILLIAM HOWE,
Sir HENRY CLINTON,
Lieut. Col. JOHN SMALL,
Major PITCAIRN, and
Lieut. PITCAIRN.</p> |
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In the Attack of Quebec, are seen—
General MONTGOMERY, Colonel THOMPSON,
Major MACPHERSON, and Capt. CHEESMAN.

CONDITIONS OF SUBSCRIPTION.

The prints will be engraved by two of the most eminent artists in Europe. The size will be 30 inches by 20. The price to subscribers, *Three Guineas* for each print; one half to be paid at the time of subscribing, the remainder on the delivery of the prints, which will be as soon as the work (which is already considerably advanced) can possibly be completed.

SUBSCRIPTIONS are received in this city by Joseph Anthony, jun. Goldsmith and Jeweller, No. 76, Market-Street.

These prints are the first of a series, in which it is proposed to represent the most important events of the American Revolution.

No period of the history of man, is more interesting than that in which we have lived. The memory of scenes in which were laid the foundations of that free government, which secures our national and individual happiness, must ever remain dear to us, and to posterity; and if national pride be in any case justifiable, Americans have a right to glory in having given to the world an example, whose influence is rapidly spreading the love of freedom through other nations; and every where ameliorating the condition of men.

To assist in preserving the memory of the illustrious events which have marked this period of our country's glory, as well as of the men who have been the most important actors in them, is the object of this undertaking. History will do justice to an era so important; but to be read, the language in which it is written must be understood—the language of painting is universal, and intelligible in all nations, and every age.

As several years of his time, and a very considerable expence, are necessary to accomplish this undertaking, it would be an imprudent sacrifice to the mere hope of reputation to go more deeply into it, without a probability of ultimate success:—That he may judge of the degree of this probability, Mr. Trumbull, by the advice of his friends, proposes this subscription, and flatters himself with a hope of meeting that patronage from his countrymen, which will justify his pursuing the object with ardor; and without which it is impossible that so expensive a work should be continued.

The subjects proposed to be represented, in addition to the two foregoing, of Bunker's-Hill and Quebec, are—

- * THE DECLARATION OF INDEPENDENCE,
- * BATTLE AT TRENTON,
- * BATTLE OF PRINCETOWN,
- SURRENDER of General BURGOYNE,
- TREATY with FRANCE,
- BATTLE OF EUTAW SPRINGS,
- * SURRENDER OF YORK-TOWN,
- TREATY OF PEACE,
- EVACUATION OF NEW-YORK,
- RESIGNATION of General WASHINGTON,
- THE ARCH AT TRENTON,
- INAUGURATION of the PRESIDENT of the UNITED STATES.

Each picture will contain portraits of the principal characters who were present at the scene represented. Those marked with stars, are considerably advanced; and the prints from the whole will be executed of the same size, and by the most eminent engravers.

IMPERIAL, HYSO, SOUCHONG, and BOHEA TEAS;
REFINED SUGARS, COFFEE, and SPICES, &c.

Of the first Quality—by Retail,
No. 17,

Third-Street, between Chestnut and Market-Streets.

HENRY KUHLL,

At No. 143, Second-Street, near Race-Street,

BY advice of his friends in New-York and Philadelphia, has opened an office for the purpose of buying and selling, on commission, the different species of Stock, and of liquidated and unliquidated paper in the market.

He will obtain such Certificates as are required by the funding law, for those who have unliquidated Securities; and transfer Stock from and to the Treasury and the Offices of the Commissioners of Loans, on moderate terms.

Having for several years past been employed in the Treasury of the United States, he is well acquainted with its operations and forms; and flatters himself that on that score he has a decided advantage in transacting business here. He is fully impressed with the truth of the adage that "dispatch is the soul of business," and will always make the interest of his employers an object of the first importance.

Philadelphia, December 29th, 1790.

EBENEZER HAZARD and JONAS ADDOMS have entered into partnership, and opened an OFFICE, at No. 173, in Market-Street, a few doors above Fourth-Street, where, under the Firm of

Hazard and Addoms,

They purchase and sell all kinds of CERTIFICATES—PAPER MONEY, and BANK STOCK.

N. B. Transfers made at the Public Offices, and Business in general transacted on Commission. December 29.

AMERICAN CLOTHS.

SUPERFINE and ELASTICS, CONGRESS BROWN, LONDON SMOKE, LEAD DRAB, BLUE and OTHER fashionable Colours,

Manufactured at Hartford, (State of Connecticut,) just received, and are now offered for Sale, at the

CHEAP STORE, No. 38,

North Third Street,

At which Store are also opening a large and general assortment of EUROPEAN and INDIA GOODS.

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| <p>CLOTHS,
Lincens,
Cambrics,
Painted, sprigged, tambour-
ed book, and jaconet Muslins,
Chintzes,
Cottons and Calicoes,
Silks,</p> | <p>ELEGANT Vest Patterns—
adapted to the season,
Silk, Cotton, and Worsted
Wose,
Corduroys,
Velvets, and Royal Ribs,
Best Buck, Beaver, and White
Kidd Gloves,</p> |
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A Variety of STUFFS.

And many other Articles, too numerous to insert in an Advertisement; all of which are now selling by Wholesale and Retail, on low terms, as to make them an object to the purchasers.

N. B. A few Barrels of MACKAREL, and Nova-Scotia HERRINGS. Philadelphia, Jan. 12, 1791.

PHILADELPHIA, JANUARY 1, 1791.

THE partnership of JOHN DUNLAP and DAVID C. CLAYPOOLE having expired this day, DAVID C. CLAYPOOLE proposes to publish a Newspaper, entitled

The Mail,

and

New Daily Advertiser.

(To be continued every Evening, Sundays excepted.)

THE MAIL shall be printed with an elegant new Type, procured for this particular purpose, on Paper, equal in size and quality to any of the Newspapers of Europe or America—And the Subscriber engages that no Means shall be spared to render the MAIL and NEW DAILY ADVERTISER in other respects worthy of the Public Patronage, which he now respectfully solicits.

The Price of the MAIL will be Eight Dollars pr. annum, to be paid at the end of the Year: And Advertisements will be received on such moderate Terms as to prove satisfactory to those who may be pleased to favor the Printer with their Commands in that line.

The MAIL will be published at the House No. 2, Lower Third Street (now occupied by Mr. J. D. Blanchard, who will shortly remove to the adjoining House, No. 4.) and at present SUBSCRIPTIONS are thankfully received at No. 43, Market-Street, by

D. C. CLAYPOOLE.

To the Merchants, Traders, Foreigners, and the Public in general.

GENTLEMEN,

AGREEABLY to the plan which the Subscriber submitted to the public consideration, and under the most flattering assurance of public patronage, he takes the liberty of announcing, that

THE MERCHANTS,

and

EXCHANGE COFFEE HOUSE,

is now opened at the corner of Market and Water-Streets, for the accommodation of the Merchants, Traders, and other Citizens of Philadelphia.

The Subscriber deems it unnecessary to repeat the declarations of his sincere intention to prosecute his undertaking with the most respectful assiduity: But he cannot forbear making a public acknowledgment of his gratitude, for the encouragement he has already experienced; nor suppress his invariable wish, that those gentlemen who may honor his Coffee-House with their presence, will communicate such articles of intelligence received from their correspondents as they shall think proper, and in preference, will upon every occasion, point out the defects of his plan, or favor him with hints for improving its execution.

The Subscriber will prepare entertainments, either at noon, or in the evening, for select parties, upon the shortest notice, and on the most reasonable terms. He can accommodate two or three Gentlemen with lodgings; and proposes at two o'clock on each day, when the public business of the Coffee-Room is over, to provide a cheap, but good and plentiful ordinary, for such guests as shall please to honor him with their company.

I am, Gentlemen,

Your most obedient and humble Servant,

THE Subscribers for this paper, in the city of New-York, are respectfully informed, that the charge of the papers proving inconvenient to Mr. Wetmore, at the Post-Office, the Editor has engaged Mr. Samuel Campbell, Book-seller, Hanover-Square, to receive them and superintend their delivery—by whom Subscriptions and arrearages will be received.

Subscribers for Mrs. Warren's Poems, are requested to call on the Editor for their books.

The price of this paper is 3 dollars per annum.