## POLITICAL.

## From the Harrisburg Reporter. BANKS.

here were but four Banks in Pennsyl , prior to the 1814. Their capitals in, amounted to 6,350,000. They all located in the city of Philadelphia, two of them had eight branches in the ior of the State.

gainst the repeated vetoes of the great nan Governor, Simon Snyder, one of ternest republicans and soundest politiconomists of the day, the Mammoth k bill of 1814, was passed, and a host raper institutions sprung up in different tters of the common wealth. They comced their operations, during the first pension of specie payments-and were aded almost exclusively upon paper, and hout any advance by their stocknolders either gold or silver.

As these Banks were not called on to rein their promises to pay, in the legal curicy of the country-their nominal disints of the promissory notes and bills of ir customers, were merely an exchange paper for paper, or credit for creditin this essential difference nowever-that discounted paper paid an interest aounting nearly to seven per cent. per anim, whilst the Bank notes bore no intert, and were not in reality payable at all. It was thus, that speculators by a si-aple tof the Legislature making them " a privaged order"-a corporation with the powof issuing notes for which were without by value, except what was stamped by pube cofidence, obtained, in exchange for this ontinental money, the paper of individuals -whose industry and property were pledgd for its ultimate payment in gold and sit-

er. When, therefore, these paper instituions were called on to commence the paynent of specie for their notes-many of hem whose loans of their own paper had teen made to persons equally irresponsible with themselves, failed entirely-whilst the remainder sustained themselves by collecting the very means to pay their engagements from those customers whom they had accommodated with irredeemable p per-

The older institutions of the State, owing also, to an extravagant issue of paper, wers in a similar condition, as their actual circulation had been extended far beyond its legitimate limits. It was clear that the inevitable return to the only legal standard known to the constitution, gold and silver coin, must produce infinite distress, and we refer our readers to the report of Mr. Raguel, on the sech Lanuary, 1820, for a faith-ful picture of the ruin brought upon an unoffending and patriotic community, by a system of paper Banks, paper credits, and paper issues

Of the forty-one Banks authorized by the act of 1814, thirty-nine received charters, of these thirty-seven went into operationand in 1824-iwenty-two only of the whole number remained as specie paying Banks whose charters were renewed by the Legislature of that, or of the preceding year.

One of the twenty-two-the Bank of the Northern Liberties had by the frauds of some of its confidential officers, been stripped of nearly all its capital, and the remaining twenty- one were arranged into three classes, acording to their respective circum-The charters of the tances and credi first class extended nine years, of the second eleven years, and of the third, thirteen years, from the first Monday of May, 1824 -the lives of the longest livers just touching the boundaries of the second suspension of 1837.

geously used to defeat the most salutary } provisions of the law.

Under the provisions therefore of the acts of 1814 and 1824, these institutions thus founded upon paper, and whose capital has been actually supplied, not by their stockholders, but by the community, have gradually by the workings of a false and anti-republican system, after paying large salaries to their presidents, cashiers, clerks, counsel and borers at Harrisburg-very heavy expenses for their ordinary and extraordinary management-enormous dividends and the usual losses of business-not only made whole their capital, but in many instances have increased it, without any calls for additional instalments upon those interested in their stock.

We observed in May last, that the bank which was lowest in the first class, after passing through the suspension of 1837, declared a dividend of five per cent, and an extra dividend of twenty per cent; ma-king twenty-five per cent, which it divided amongst its stockholders, and yet this bank was insolvent in 1824-refused to pay specie in 1837 and 1838-refused again on the 9th of October, 1839, and during the next month declared and paid a large dividend in direct defiance of the law, and of the known opinion of the execution.

There must be something radically wrong in such a system which allows the holders of corporate privileges; a species of scrip nobility, to make their capital, dividends, profits and expenses, out of those whose only acquaintance with banks is created by their holding their promises to pay, in lieu of the only constitutional currency, gold and silver coin. New charters for new banks were afterwards granted at different intervals, upon different grounds, some perhaps founded in reason, but for the most part only cloaking some selfish design of extorting a portion of their hard earnings from the industrious poor.

From 1824 to 1835 inclusive, the banking capital paid in, mereased to \$18,991,-863 01, being a nominal increase in not quite twelve years of \$7,051,825, 01.

We have called it a nominal increase, because from the uniform practice in taking bank stock, it is perfectly clear, that a large part of it was originally fictitious, being simply an exchange of stock or scrip, for the stock notes of the nominal stockholders. This is well explained in the excuse made by the Cashier of a bank in Philadelphia to the Auditor General in 1836, for so large an amount appearing in the accounts of his bank to be loaned upon stock. "I would briefly state," said he "that by an act of the Legislature of the 20th May last, we were authorized to increase our capital stock. A LARGE PORTION of this new stock was taken by our present stockholders. they paying at the time of subscribing, a part in money and giving a note for the balance secured by a pledge of the stock to be renewed every sixty days upon the payment of live do'lars on each share. A very large part of the above amount, (\$65,066. 66) has grown out of this arrangement."

This bank, on the 4th November, 1836, returned its capital paid in \$399,759, 00. When by its own shewing it appeared that only 334,683, 34 dollars. were actually paid by its stockholders. Here was a gross violation of law which should have been punished with great severity, as its obvious objects were first to impose upon the community a fictutious for a real capital-and second to allow its steekholders who had not the means to pay for the stock, to pay | drew at the rate of ten per cent, from the public, beides paying all expenses and losses.

I. The capital of the Lumber-\$200,000 mans Bank, II. And of the Schuylkill 1,000,000 Bank, say,

\$1,200,000

All which is utterly sunk and lost, and then, by pursuing the same course of reduction, that we have already applied to 1824 and 1835, the real banking capital will be found in May, 1837, not to have exceeded \$18,000,000, and notwithstanding some nominal additions is certainly, not really greater at the present time.

It is unquestionably true, that if an actual banking capital of eighteen millions were employed within the limits of our own state, and for our own state, and for our own people, in legitimate banking, it would be more than suffic ent to supply all the neproperity and activity.

These banks thus created out of the industry and labor of the mass, for the benefit of the few, have under the direction and guidance of a foreign institution illegally may look for a favourable report. On the planted in our soil, inflicted upon us two suspensions, legions of shinplasters-a depreciated currency-irredeemable post notes -a foreign bank debt-and the consequent

exportation of our coin to pay it-have changed the ordinary relations of debtor and creditors-unsettled public and private faith-and by violating the law have substituted their own will for the stern dictates of morality and honesty. A longer continuance in this course must tear up the whole system by the roots-or alter the whole face of society, and it becomes the duty of every true lover of his county, to prevent, if possible, such a disastrous consequence. ALCOLOGICAL STREET AND

CORRESPONDENCE OF THE NEW YORK NEW ERA

Washington, Dec. 31st 1839.

On the opening of the "House" to-day, the Speaker announced his appointment of the various committees, which, in the aggregate, I think, are far from favorable to the Democratic party, though in the most important sense, the administration and Calhoun members hold the majority. Mr. Jones, of Virginia, our late nomince for Speaker, was placed as chairman, on that most important of all committees-the com-mittee of "Ways and Means" Mr, Pickens was appointed chairman of the committee on "Foreign Relations," and Mr. Cam-bell, (both Independent 'Treasury men) on "Elections," Vanderpoel and Rhett are placed on the committee of "Ways and Means," It will be perceived, that on three of the most important committees, one administration and two Calhoun men have been selected as chairmen; and on the minor committees, the opposition have had their full speed. Thus the speaker has to ingratiate himself with all parties, and has in my mind, most clearly and decisively defined his position. It is his wish and ambition to be considered both by the "House" and country, a no-party manshackled by no party restrains, and in the pursuance of his official duties, recognizing no party dictation. If he has any leaning, it is on the side of the opposition-his votes on the adoption of the rules of the former House, and on the election of a Clerk, together with the opinion on the validity of the claims of the members from New Jersey holding the certificates of the governor -fully carry me ont in this assertion. The

opinion that I gave on the election of Mronly six per cent, to the bank whilst they | Hunter to the chair of speaker, will in the main hold good.

bia," do on "Tertitories," do on "Revoldtionary Pensions," do on "invalid Pen-sions," do on "Roads and Canals," do on "Public buildings," do on "Unfinished bu-siness," do on "Manufactures," do on "Agriculture," do on "Indian affairs," do on "Mileage," do on "Expenditures State Department," do ditto "Treasury," do ditto "War," do ditto "Navy," do ditte "Post office." do ditto "Public Buildings," and do "Public Expenditures,"-In 21 out of 33 committees, the opposition have their own Chairman, and they have a majority

in 16 of the Committees. So much for the Democracy of Speaker Hunter.

The Independent Treasury Bill must origmate with the Committee of "Ways and Means," which the reader will remember is composed of six members favourable to the measure, and three opposed to it. The cessities of business in our highest state of "Committee on Elections," from which must emanate the report on the New Jersey question, is composed of Calhoun Chairman, four friends of the Administration, and four opponents. 1 think that we smaller committees the opposition will have pretty much their own way.

Some diversity of opinion appears to exist relative of the election of a printer. I think that a doubt still hangs over the success of Blair and Rives. By consent of the House, the Clerks has temporarily divided the printing between the proprietors of the Democratic Review, and Messrs. Blair and Rives. This arrangement cannot however, be of long duration.

> Erom the Washington Metropolitan. PRESIDENT'S LEVEE.

The first day of the year was a very cold one, but barring this extremely pleasant .--Sleighing, which is somewhat a rare thing in this city' was very good, and the belles and the beaux appeared to enjoy it. At the hour of 12, the avenues leading to the President's mansion were thronged by the fashionable and gay, as well as the more sterling part of the creation; those who, like good Democrats go on foot. The Foreign Ministers and their attaches waited on the President in their court dresses, as well as the Secretaries and the sturdy yeomanry of the country in the plain homespun. The President was in good health and spirits, and received his compary in his usual polite and urbane manner. The fair ladies honored him with their presence, and their sweet smiles and pretty bright eyes, added cheerfulness to a scene which otherwise would have lost half its charms. The Marine Band performed in the outer hall some beautiful music, and every thing went off well.

## News by the Mails.

The Harverhill (Mass)Banner says-Two colored lemales belonging to Andover, perished in the storm of Sunday night, last week. The manner in which their deaths took place is somewhat singular. The facts as we have them from a friend are as follows :- They lived in a little house together. The younger became partially deranged, and on Saturday night having deposited some provision in each of two pillow cases, led the other who was blind and decrepid away to some bye-place, where she probably died from cold. She returned and was at meeting part of the day, but could give no account of the place, whither the other poor creature had been led, and the only reason assigned for this strange proceeding was the fear of harm. She stayed with one of the neighbors part of Sanday night, when she stole away and was not missing until morning, when she was found der 9.

We may mention (says Bicknell's Reporter,) for the information of bur friends at a distance, that the banks of Philadelphia are about to resume. No time bewever, as yet, has been agreed upon. They, of course, discount very little, and yet money cannot be said to be in a very great demand.

A joint resolution has been introduced into and passed by the Lower House of the Tennessee Legislature, to compel the banks to resume specie payments forthwith.

The mormons, having been driven from Missouri, have settled in Illinois on a tract of land which they have purchased at the head of the Des Moine rapids of the Mississippi. They have laid out a town which is called Nauvoo. A deputation of three persons of their fraternity has been despatched to Washington to petition Congress for relief on account of losses experienced by the Missouri troubles. Persecution in their case has had its usual effect in strengthening those who are its victims. The mormon sect has increased largely; and it is said that many families of respectobility and influence in the adjoining counties have united themselves with this new denomination.

A female is now living in Roxbury, Mass., at the age of 70, who has spent the whole of her life there, and never had the curiosity to visit Boston or to approach it nearer than the view which is afforded at the top of Parker's Hill, near the foot of which, in the house of the late Gen. William Heath and his decendants, she had resided as a domestic since the age of seven.

A horned frog 18 stated to have been brought from Fort Towson, by Lieut. Willott Martin, of the 3d infantry, as a present from an officer stationed there, to Col. Hook of Washington. The body resembles that of a frog, and is about the same size, but the skin is like that of the lizard-scaly-and has a tail half as long as the body, tapering to a point.

In New Orleans, it is the custom to farm out the markets annually. The beef market of that city has been rented for the presyear for \$54,000, being \$3100 more than last year, and the vegetable market for the same period for \$36,000, being an advance of \$2700.

Twelve hundred passengers arrived at Texas in three days, with the intention of settling permanently in that country. It is estimated that thirty thousand emigrants have arrived at Galveston alone, during the past season.

Among the Chartist prisoners recently arrested in Wales, was an American, who is said to be a quack doctor, called Israel. and who was thought to be deeply concerned in the treasonable plot to overturn the established institutions of the country. Ho is ninety-three years old, and is a remarkable shrewd man.

The bank of Wisconsin is "done." On the 2d inst., the Sheriff of Green Bay took the keys and sent the cashier, clerks and all, about their business. Cause,-The inability or unwillingness to cash \$300 of their issues.

Ten thousand hogs were for sale in Conumbus county, Indiana, on the 11th inst. 1000 only had been sold, and they at \$2 50 to \$3 the bundred, nett. No advance expected on these prices.

The condition of society in Portugal, particularly in the large city Lisbor, must be dreadful indeed. From an official return published in the Diario, it appears that during the months of April, May and June, of 1839, 2778 crimes were known to have been committed in Lisbon, of which 333 were assassinations. During the three following months, there were 170 assassinations.

The banking capital of the state, in the year 1824, therefore, consisted of the feur old \$6,350,000 banks, amounting to

And of the 22 new banks, amount to 5,590,038

Making a nominal total of \$11,940,038

It was notorious, however, that the seven banks included in the first class were nearly insolvent, and that some in the second and third classes were not in a flourishing condition, and the ACTUAL banking capital of that day, may therefore, taking all things into consideration, be eafely set down at not more than \$8,500,000.

The legislature of 1824, with a deliberate intention to prevent all future suspensions of the banks, incorporated a variety of ex, cellant provisions into the extending acts, but they were not prepared for a systematic violation of the law, by the banks, their offierrs, and the executive and judicial departtherefore provide the necessary sanctions for the breaches of a statute of paramonut importance to the people of the commonwealik.

They prohibited all dividends, discounts and fresh issues of notes during a suspensien of specie payments, but they forgot to punish the presidents, directors, cushiers and officers who nathorized them, with imprisonment and hard labor within the walls of a penitentiary, and to make it an fall. impenciable offence in a Governor to sauction these crimes against the people by priprovided for the taking of testimony before 34, and the circulation to \$14,856,213 96; a judge preparatory to the forfeiture of a charter of a non-specie paying bank, but they forgot that the ermine might be lined fore. with atoris certificates, and that abound quibbles or ludicrous timidity might be advanta- capital we must deduct

After therefore making the necessary reductions for similar subscriptions of capital -for their own stock purchased in by these institutions-bad debts and other contingeneies-the actual banking capital of Pennsylvania.

In De - mber, 1835, cannot be rated at \$15,000,000 00 more than On the 34 November, 1835, the actual circulation of the banks

\$10,853,024 62 was

Of which, taking the report of the state treasurer of the 12th of January, 1835, as a guide, were in five dollar notes, \$2,014,525 00

Leaving

\$8,338,699 62

As the bank note circulation of the state in notes of ten dollars and upwards.

In February, 1836, the bank note circulation increased to \$11,657,982 42, and in May, 1836, w thout a dollar increase of capital puid in-and only an additon of \$168,140 56 in specia-it increased to the ments of the government, and they did not enormous amount of \$14,491,792 81, being nearly dollar for dollar of real capital, and being an increase in six months of a clear paper issue of three millions six hundred and thirty eight thousand, seven hundred and sixty-eight dollars and nineteen cents, which increase itself was \$641,790 28, more than the whole specie on hand at that or any preceding period.

These data afford clear and decisive proof that the system was rapidly approaching its

In May, 1837, the forminal banking captal paid in, independent of the United States Bank, had increased to \$24,659,316 being \$4.053,189 34 more than it was in November, 1835, only eighteen months be-

From this nominal amount of banking

The busines which was transacted by the House in the succeeding part of the day, was not of a very interesting character.

Madam Rumor, (who is not on all occasions to be depended upon in the good city of Washington,) says that Ex-Governor Marcy is to fill the vacancy occasioned by the resignation of Judge Grundy in the Cabinet. I doubt the truth of this report for many reasons, not among the least of which is that we have many who are older in the field, and whose claims, to say the least are more pressing-we shall, however, have an early opportunity of hearing officially.

## Washington Dec. 31st 1839.

I have given below a fair and impartial ecount of the political complexion of the different committees which were appointed on Wednesday by the new Speaker.

The "Committee on Elections" is composed of states' rights chairman, four friends of the Administration, and four opposition men : the Chairman, and, I think, Mr. Fisher, whom I number among the Administration men, voted against the rejection of the New Jersey Federal members. The Committee of "Ways and Means" is made of an Administration Chairman two stries' rights men, including Cooper, of Georgia, who is generally opposed to the party in power, three friends of the Administration, ud three opponents. The Committee on "Foreign Affairs" numbers a states' rights Chairman, four friends of the Administration, and four opposition men. The Judiciary Committee is composed of an opposition Chairman, three friends of the Administration, four opposition men, and one Georgia states' rights Sub-'Preasury man. The other committees, which are of minor importance, are made up mostly of opposition members.

"Commerce" is opponent of the Adminis-tration-do on "Public Lands" do on the property was to revert to his heirs at "claims," do on the "District of Colum- law.

The Newspaper Credit System ceased in Mississippi on the 1st of the present month, by agreement among all the printers of that state, subscribers must now pay in advance. This is a capital measure, and will eventually be adopted throughout the country.

Gen. Gaines has had the freedom of the city of Nashville, Tenn., voted to him by its municipal authorities, on his becoming a resident of that city.

The following aucedote, illustrative of the extent to which the picarooning system was carried on at the Schuylkill Bank, is from the U. S. Gazette.

"Among other instances of direct fraud connected with the late Schuylkill Bank, one was mentioned yestesday remarkable for its magnitude. A gentleman belonging to the interior of the state had placed in the Bank, on special deposite, \$75,000, of which he a short time since received \$25-600, and after the recent explosion, he called to enquire about the balance, and learned with astonishment, that no minute of any such sum had been made on the books of the Bank, nor was there in the Bank, anything by which its directors, from first to last, could know of its reception."

A stone wall has been built around an Asylum for the benefit of the poor, in Providence, R. I., which is 6105 feet in circuit, or more than a mile, 3 feet thick at the bottom, and 8 feet high, on a foundation of small stones, sunk two feet below the earth's Leight Mr. surface. It was built in compliance with the will of Col. E. K. Dexter, as a condition of a large property left to the town to The Chairman of the Committee on found the asylum, and if such wall should not be completed in 20 years from 1824,

A bill to provide against the suspension by the Banks of South Carolina, is before the Legislature of that State. It provides for the payment of seven per cent., interest by the suspended bank, on the whole amount of notes in circulation, monthly statements of its condition, and a forfeiture of charter for refusing compliance with the provisions of the bill.

LIST OF LETTERS Remaining in the Post Office at Bloomsburg st the end of the quarter ending on the

31stday of December, 1839. McArtney Daniel, Maus Samuel G. Blockstodge John Biddenbanter John, Merrill Benjamin, Nungesser Jacob, Palmer Daniel, Bovre Benjamin, Cornilison Isaac, Criviting Andrew 2, Palmer Margaret, Piner Isaac, Coffman Moves, Cornelison Mary E. Reedy Simon, Cole Elisha, Shipman Jacob, Slater William, Clymer Benjamin H. Snow Willard, Smith Horace, Hartman George, Sticker Michel, Snyder Daniel, Hindbock Henry, Heslet Adam C. Thornton Phebe, Thornton Savina, Hartman Joseph, Kreng Augustus, Williams David, Krootz John, Worner Jacob, Kahler Charles Esq. Warters Aaron, Weir Thomas, Keller Mary, Kuhn Isaac Capt. Wildower Susannah 2, Willits Martha, Kresler Casper, Wells Sedgwick, Leiby Jacob, Winner John, Wright William, Moyer Suseann McClure Joseph, Wertle Chri. B. RUPERT, P. M.

Jan. 1, 1840.

Allen John,

Doan Jane,

Fry John,

Those inquiring for any of the above lottors will please say it is advertised.