

American Patriot.

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CONGRESS.

In senate.

Monday, Jan. 30. 1815.

Mr. Coles, the President's Secretary, returned the bill "to incorporate the subscribers to the Bank of the United States of America," with the following message:

To the Senate of the U. States.

Having bestowed on the bill, entitled "An act to incorporate the subscribers to the bank of the United States of America," that full consideration which is due to the great importance of the subject, and dictated by the respect which I feel for the two houses of Congress, I am constrained, by a deep and solemn conviction, that the bill ought not to become a law, to return it to the Senate, in which it originated, with my objections to the same.

Waving the question of the constitutional authority of the Legislature to establish an incorporated bank, as being precluded, in my judgment, by repeated recognitions, under varied circumstances, of the validity of such an institution in acts of the legislative, executive, and judicial branches of the government, accompanied by indications, in different modes, of a concurrence of the general will of the nation; the proposed bank does not appear to be calculated to answer the purposes of reviving the public credit, of providing a national medium of circulation and of aiding the treasury by facilitating the indispensable anticipations of the revenue, and by affording to the public more durable loans.

1. The capital of the bank is to be compounded of specie, of public stock, and of Treasury notes convertible into stock, with a certain proportion of each of which every subscriber is to furnish himself.

The amount of the stock to be subscribed will not, it is believed, be sufficient to produce, in favour of the public credit, any considerable or lasting alleviation of the market price, whilst this may be occasionally depressed by the bank itself, if it should carry into the market the allowed proportion of its capital consisting of public stock in order to procure specie, which it may find its account in procuring, with some sacrifice on that part of its capital.

Nor will any adequate advantage arise to the public credit from the subscription of Treasury Notes. The actual issue of these notes nearly equal, at present, and will soon exceed the amount to be subscribed to the bank. The direct effect of this operation is simply to convert fifteen millions of Treasury Notes into fifteen millions of six per cent. stock with the collateral effect of promoting an additional demand for Treasury Notes, beyond what might otherwise be negotiable.

Public credit might indeed be expected to derive advantage from the establishment of a national bank, without regard to the formation of its capital, if the full aid and co-operation of the institution were secured to the government during the war, and during the period of its fiscal embarrassments. But the bank proposed will be free from all legal obligation to co-operate with the public measures; and whatever might be the patriotic disposition of its directors to contribute to the removal of these embar-

rassments, and to invigorate the prosecution of the war, fidelity to the pecuniary and general interest of the institution according to their estimate of it, might oblige them to decline a connection of their operations with those of the national treasury during the continuance of the war and the difficulties incident to it. Temporary sacrifices of interest, though overbalanced by the future and permanent profits of the charter, not being repairable of right in behalf of the public, might not be gratuitously made; and the bank would reap the full benefit of the grant whilst the public would lose the equivalent expected from it. For it must be kept in view, that the sole inducement to such a grant, on the part of the public, would be the prospect of substantial aids to its pecuniary means at the present crisis and during the sequel of the war. It is evident that the stock of the bank will, on the return of peace, if not sooner, rise in the market to a value which, if the bank were established in a period of peace, would authorise and obtain for the public a bonus to a very large amount. In lieu of such a bonus the government is fairly entitled to, and ought not to relinquish or risk, the needful services of the bank, under the pressing circumstances of war.

2. The bank, as proposed to be constituted, cannot be relied on during the war, to provide a circulating medium, nor to furnish loans, or anticipations of the public revenue.

Without a medium, the taxes cannot be collected; and in the absence of specie, the medium understood to be the best substitute, that of notes issued by a national bank. The proposed bank will commence and conduct its operations, under an obligation to pay its notes in specie, or be subject to the loss of its charter. Without such an obligation, the notes of the bank, though not exchangeable for specie, yet resting on good pledges, and performing the uses of specie, in the payment of taxes, and in other public transactions, would as experience has ascertained, qualify the bank to supply at once a circulating medium, and pecuniary aids to the government. Under the fetters imposed by the bill, it is manifest, that during the actual state of things, and probably during the war, the period particularly requiring such a medium and such a resource for loans and advances to the government, notes for which the bank would be competent to give specie in exchange could not be kept in circulation. The most the bank could effect, and the most it could be expected to aim at, would be to keep the institution alive by limited and local transactions, which with the interest on the public stock in the bank, might yield a dividend sufficient for the purpose, until a change from war to peace should enable it, by a flow of specie into its vaults, and a removal of the external demand for it, to derive its contemplated emolument from a safe and full extension of its operations.

On the whole when it is considered that the proposed establishment will enjoy a monopoly for the profits of a national bank, for a period of twenty years; that the monopolized profits will be continually growing with the progress of the national population and wealth; that the nation will, during the same period, be depending on the notes of the bank for that species of circulating medium, whenever the precious metals may be wanted, and at all times for so much thereof as may be an eligible substitute for a specie medium, and that the extensive employment of the notes in the collection of the augmented taxes, will, moreover, enable the bank greatly to extend its profitable issues of them, without the expense of specie capital to support their circulation; it is as reasonable as it is requisite, that the government, in return for

those extraordinary concessions to the bank should have a greater security for attaining the public objects of the institution, than is presented in the bill, and particularly for every practicable accommodation both in the temporary advances necessary to anticipate the taxes, and in those more durable loans which are equally necessary to diminish the resort to taxes.

In discharging this painful duty of stating objections to a measure which has undergone the deliberations and received the sanction of the two houses of the National Legislature, I console myself with the reflection, that if they have not the weight which I attach to them, they can be constitutionally overruled; and with confidence that, in a contrary event, the wisdom of Congress will hasten to substitute a more commensurate and certain provision for the public exigencies.

JAMES MADISON.

Washington, Jan. 30th, 1815.

The message was read, and ordered to be printed.

THOMAS DOUGHERTY, of Kentucky, is appointed Clerk of the House of Representatives, vice P. Magruder, Esq. resigned.

REWARD OF MERIT.

We are much gratified to learn, that the President of the U. States has conferred on Capt. John A. Burd of the Army of the U. S. the rank of Major by brevet—to rank as such from the 31st day of October, 1814.

Fed. Gaz.

A NEW FRIGATE,

We understand, is contemplated by the citizens of New-York, to be built by subscription immediately for the gallant Decatur, in the place of the President.

N. Y. Col.

MASONIC BENEVOLENCE.—The

Grand Lodge of Massachusetts, with characteristic benevolence, have appropriated \$500 to the relief of Masonic brethren, British prisoners of war at Salem. They acknowledge reciprocal favours to our brethren among the enemy, hope for the return of peace, and declare, on the true principles of Masonry, their support of the constituted authorities of the country in all measures of peace or war, which they may direct. With respect to captive brothers amongst us, their sentiment is: "The moment the sword of the warrior is sheathed, the feelings of the mason return with redoubled force; and Charity, displaying her banner of love, conducts the captive brother to the Lodge, the only "city of refuge"—Col.

NEW ORLEANS.

Camp, 4 miles from New Orleans, January 13th, 1815.

We have had another and most glorious battle On Sunday morning, the 8th inst. at day light, the enemy advanced in regular columns with nearly their whole force, and commenced a most rigorous and gallant attack within twenty paces of our lines, at the same time keeping up a constant cannonading from two batteries, throwing Congreve rockets to cover their light troops; but we expected an attack, were ready to receive them, and gave them such another reception as they have not experienced this war.—In fact, the annals of History scarce bear testimony of such another. The enemy left on the field of battle better than 500 killed, 700 wounded (mostly dangerously) and 300 prisoners. Nearly all the killed and 250 of

the wounded, fell into our hands, besides 300 officers and men prisoners unhurt; and astonishing as it may appear to you, but not more so than true—on that ever memorable day was but 6 privates killed, and 12 wounded! The enemy's loss in officers was immense—from 50 to 60 in killed, wounded and prisoners, and those the best in their army. Lieut. Gen. Packenham, their Commander in Chief, was killed exactly in the action by a cannon ball. Generals Keane and Gibbs were both wounded, and said to be dangerously so. Col Raney, and several other field officers, that paid a visit at Washington, were killed. The enemy took possession of one of our batteries on the right, but were soon killed or taken prisoners and the battery regained. The battle lasted about an hour and an half, and while glory covered our arms on this side of the river, we had a party of militia that disgraced themselves on the other. The enemy sent over a party of about 600 men, making an attack at the same time that they engaged us on this, when the militia made a shameful retreat after the first fire. The enemy advanced a mile or two towards Orleans on that side, took 3 batteries, burnt several sugar plantations, spiked 3 or 4 guns that were there, burnt their carriages and retreated down the river opposite their main force and re crossed before we could get a reinforcement across.—Since Sunday both armies have remained very quiet. The British army is commanded by Gen Lambert. It is the general opinion in camp, that the enemy are about to leave us, but I think it will depend upon their fleet getting past Fort St. Philip.

P. S. You will perceive by my calculations the enemy's loss to be 1500, but I believe I have underrated it. Two deserters have just come in and say it was 2000 on Sunday last, and it supposed by some of our Officers to be nearly 3000 men.

Natchez, Jan. 16.

Extract of a letter, dated,
Camp Jackson, Jan 9.

"I have news which as a patriot it will rejoice you, though it is the news of carnage.—One of the most bloody engagements which has occurred during the war, took place yesterday morning.

The British under a heavy discharge of bombs, rockets and cannons, attacked our columns on the right and centre. The assault was furious and brave, almost beyond example—but was as bravely met and repulse. They advanced with fascines and scaling ladders even to the very ditch, under a fire which surpassed all description. Many of them got into the ditch, and being unable to ascend, were obliged to surrender. The column was two or three times repulsed and still returned to the charge, but were ultimately compelled to retreat, being literally mowed down by our bullets, grape and canister shot.

The field, (Madison Hall Plantation) is strewn with their dead; and all the after part of yesterday was employed in bringing in their wounded. We have 300 wounded prisoners, nearly the same number not wounded, and their killed is estimated at from five to eight hundred!!! Many it is known were carried off the field. Their left column succeeded in getting possession of our right bastion on the river; but it proved a slaughter pen to them, as they were