

change, (commonly called the stamp duties) and the duty on refined sugar, will cease on the 18th day of February, 1816. All the other internal duties, together with the direct tax and the increased rates of postage, will continue.

Under these circumstances, the revenue accruing for 1816, is estimated at \$27,000,000. The sum receivable from various items will make the estimated amount \$39,400,000. But as the demands upon the Treasury will be \$42,884,269, there will be a deficit of \$3,484,268.

In relation, then, to the internal duties, it is intended respectfully to recommend, that the duties imposed at the last session of Congress on various articles manufactured within the United States, shall be abolished on the 18th day of April next, which will complete the year commencing from the time the duties went into operation; that the duty imposed during the last session of Congress on spirits distilled within the United States, shall be abolished on the 30th of June next; but that at the same time there be added one hundred per cent. on the rate of the duty which had been charged on licenses to distillers of spirituous liquors in the year 1813; that the duty on household furniture, and on gold and silver watches, be abolished on the 31st day of March next; that the additional duty imposed during the last session of Congress on licenses to retail wines, spirituous liquors and foreign merchandize, be abolished on the 31st day of December, 1816; and that the duties on refined sugar and stamp duties, be continued. And finally, in relation to the direct tax, it is intended respectfully to recommend, that on the 31st day of March next, it be reduced to one-half its present amount, that is, to the annual amount of three millions.

The subtraction from the revenue by these charges and reductions in the direct tax and the internal duties, is estimated at the annual sum of 7,000,000 of dollars. But the substitutes for supplying the equivalent amount, are estimated to produce; 1st. from the increase of the duty on licenses to distillers and continuance of the stamp duties and duties on refined sugar, the annual sum of 3,000,000 dollars; and 2dly. from an increase upon the permanent rates of duties on the importation of foreign merchandize, the annual sum of 3,000,000 dollars.

The product accruing, and the money receivable in 1816, is estimated at \$36,400,000. The demand estimated \$42,884,269, leaving a deficit of 6,484,269. But the unexercised authority to borrow money, and issue Treasury Notes, is sufficient to meet the deficit.

III. Propositions for the improvement of Revenue and support of public credit.

[The propositions here submitted relate, 1st, to the revenue, (for the improvement of which the Sec'y recommends an additional duty of 100 per cent. on foreign goods, a continuance of the duty on imp. salt, of the stamp tax, tax on cuttings and postage tax; the reduction of the direct tax to 5,000,000; the repeal of the tax on furniture and domestic manufactures; the discontinuance of the duty on distilled spirits, and increase of the duty on licenses to distillers) &c. — 2dly. to the sinking fund.]

3. Proposition relating to the National Circulating Medium.—By the constitution of the United States, congress is expressly vested with the power to coin money, regulate the value of the domestic and foreign coins in circulation, and (as a necessary implication from positive provisions) to emit bills of credit; while it is declared by the same instrument, that "no state shall coin money, or emit bills of credit." Under this constitutional authority the money of the United States has been established by law, consisting of coins made with gold, silver, and copper. All foreign gold and silver coins, at specified rates, were placed, in the first instance, upon the same footing with the coins of the United States, but they ceased (with the exception of Spanish milled dollars, and parts of such dollars) to be a legal tender for the payment of debts and demands in 1809.

The constitutional authority to emit bills of credit, has also been exercised in a qualified and limited manner. During the existence of the bank of the United States, the bills or notes of the corporation were declared, by law, to be receivable in all payments of the United States; and the treasury notes which have been since issued for the services of the late war, have been endowed with the same quality. But congress has never recognized by law the notes of any other corporation; nor has it ever authorized an issue of bills of credit to serve as a legal currency. The acceptance of the notes of banks which are not established by the federal authority, in payments to the United States, has been properly left to the vigilance and discretion of the executive department; while the circulation of the treasury notes employed either to borrow money or to discharge debts, depends entirely (as it ought to depend) upon the option of the lenders and creditors to receive them.

It is true that a system depending upon the agency of the precious metals, will be affected by the various circumstances which diminish their quantity or deteriorate their quality. The coin of a state sometimes vanishes under the influence of political alarms; sometimes in consequence of the explosion of mercantile speculations, and sometimes by the drain of an unfavorable course of trade. But whenever the emergency occurs that demands a change of system, it seems necessarily to follow, that the authority which was alone competent to establish the national coin, is alone competent to create a national substitute. It has happened, however, that the coin of the United States has ceased to be the circulating medium of exchange; and that no substitute has hitherto been provided by the national authority. During the last year, the principal banks established south and west of New-England, resolved that they would no longer issue coin in payment of their notes, or of the drafts of their customers, for money received upon deposits. In this act the government of the United States had no participation; and yet the immediate effect of the act was to supersede the only legal currency of the nation. By this act, although no state can constitutionally emit bills of credit, corporations erected by the several states have been enabled to cir-

culate a paper medium, subject to many of the practical inconveniences of the prohibited bills of credit.

It is not intended, upon this occasion, to condemn, generally, the suspension of specie payments; for appearances indicated an approaching crisis which would probably have imposed it as a measure of necessity, if it had not been adopted as a measure of precaution. But the danger which originally induced and perhaps justified the conduct of the banks, has passed away; and the continuance of the suspension of specie payments must be ascribed to a new series of causes. The public credit and resources are no longer impaired by the doubts and agitations excited during the war; by the practices of the enemy; or by the inroads of an illicit commerce; yet the resumption of specie payments is still prevented, either by the reduced state of the national stock of the precious metals; or by the apprehension of a further reduction to meet the balances of a foreign trade; or by the redundant issue of bank paper. The probable direction and duration of the latter causes, constitute therefore the existing subject for deliberation. While they continue to operate singly or combined, the authority of the states individually, or the agents of the state institutions, can not afford a remedy commensurate with the evil; and a recurrence to the national authority is indispensable, for the restoration of a national currency.

In the selection of the means for the accomplishment of this important object, it may be asked—1st. Whether it be practicable to renew the circulation of the gold and silver coins? 2dly. Whether the state banks can be successfully employed to furnish a uniform currency? 3dly. Whether a national bank can be employed more advantageously than the state-banks for the same purpose? And 4thly. Whether the government can itself supply and maintain a paper medium of exchange, of permanent and uniform value, throughout the U. States?

1st. As the United States do not possess mines of gold or silver, the supplies of those metals must, in a time of scarcity, be derived from foreign commerce. If the balance of foreign commerce be unfavorable, the supply will not be obtained incidentally, as in the case of the returns for a surplus of American exports, but must be the object of a direct purchase. The purchase of bullion is, however, a common operation of commerce; and depends, like other operations, upon the inducements to import the article.

Even, however, if it were practicable, it has sometimes been questioned, whether it would be politic again to employ gold and silver for the purpose of a national currency. It was long and universally supposed, that to maintain a paper medium without depreciation, the certainty of being able to convert it into coin, was indispensable; nor can the experience which has given rise to a contrary doctrine be deemed complete or conclusive. But whatever may be the issue of that experiment elsewhere, a difference in the structure of the government, in the physical as well as the political situation of the country, and in the various departments of industry, seems to deprive it of any important influence as a precedent for the imitation of the U. S.

2d. Of the services rendered to the government by some of the state banks during the late war; and of the liberality by which some of them are actuated in their intercourse with the treasury; justice requires an explicit acknowledgement. It is a fact, however, incontestably proved, that those institutions cannot at this time be successfully employed to furnish a uniform national currency. The failure of one attempt to associate them with that view, has already been stated. Another attempt, by their agency in circulating treasury notes, to overcome the inequalities of the exchange, has only been partially successful. And a plan recently proposed, with the design to curtail the issue of bank notes, to fix the public confidence in the administration of the affairs of the banks, and to give each bank a legitimate share in the circulation, is not likely to receive the sanction of the banks. The truth is, that the charter restrictions of some of the banks; the mutual relation and dependence of the banks of the same state, and even of the banks of different states; and the duty which the directors of each bank conceive that they owe to their immediate constituents upon points of security or emolument; interpose an insuperable obstacle to any voluntary arrangement, upon national considerations alone, for the establishment of a national medium through the agency of the state banks. It is, nevertheless, with the state banks that the measures for restoring the national currency of gold and silver must originate; for until their issues of paper be reduced; their specie capitals be reinstated; and their specie operations be commenced; there will be neither room, nor employment, nor safety, for the introduction of the precious metals. The policy and interest of the State banks must therefore be engaged in the great fiscal work, by all the means which the treasury can employ, or the legislative wisdom shall provide.

3d. The establishment of a National Bank is regarded as the best and perhaps the only adequate resource to relieve the country and the government from the present embarrassments. Authorized to issue notes which will be received in all payments to the United States, the circulation of its issues will be co-extensive with the Union; and there will exist a constant demand, bearing a just proportion to the annual amount of the duties and taxes to be collected, independent of the general circulation for commercial and social purposes. A National Bank will therefore possess the means and the opportunity of supplying a circulating medium of equal use and value in every State, and in every district of every State. Established by the authority of the government of the United States; accredited by the government to the whole amount of its notes in circulation; and entrusted as the depository of the government with all the accumulations of the public treasure; the National Bank, independent of its immediate capital, will enjoy every recommendation which

can merit and secure the confidence of the public. And, acting upon a compound capital, partly of stock and partly of gold and silver, the National Bank will be the ready instrument to enhance the value of the public securities, and to restore the currency of the national coin.

4. The powers of the government to supply and maintain a paper medium of exchange will not be questioned; but for the introduction of that medium there must be an adequate motive. The sole motive for issuing treasury notes has hitherto been to raise money in anticipation of the revenue. The revenue, however, will probably become, in the course of the year 1816, and continue afterwards, sufficient to discharge all the debts and to defray all the expenses of the government, and consequently there will exist no motive to issue the paper of the government as an instrument of credit.

It will not be deemed an adequate object for an issue of the paper of the government, merely that it may be exchanged for the paper of the banks, since the treasury will be abundantly supplied with bank paper by the collection of the revenue, and the government cannot be expected to render itself a general debtor, in order to become the special creditor of the State banks.

Upon the whole, the state of the national currency, and other important considerations connected with the operations of the treasury, render it a duty respectfully to propose,

"That a National Bank be established at the city of Philadelphia, having power to erect branches elsewhere; and that the capital of the bank (being of a competent amount) consist of three fourths of the public stock, and one fourth of gold and silver."

CONGRESS.

HOUSE OF REPRESENTATIVES.

Monday, Dec. 11.

Several petitions were read and referred.— They came mostly from individuals aggrieved during the late war, or by its effects on their persons, or in their property.—A standing committee for manufacturing concerns, was prayed for—also the forbidding of importations of cotton fabrics of a coarse texture from foreign countries.

On motion of Mr. Johnson of Ky. *Resolved*, That the committee of Claims be directed to enquire into the expediency of liquidating the claims of citizens against the U. S. or the loss of property during the war, while in public service.

On motion of Mr. Thomas of Tenn. *Resolved*, That the committee on Military Affairs be instructed to enquire into the expediency of providing by law, for the relief of the widows and children of all such non-commissioned officers, musicians and privates, as have been killed in battle or died of wounds received in the public service, in any of the corps composing the army of the United States, during the late war.

Mr. Reynolds of Tenn. offered for consideration the following resolution: *Resolved*, That the committee on public lands be instructed to enquire into the expediency of appropriating all that tract of land known by the name of the "Canebrake Reservation," lying in the counties of Maury and Giles, in the state of Tennessee, for the extinguishment of the genuine land warrants issued by the state of North-Carolina, and that the actual occupants, within the bounds of said tract, who have been living on said land on the 1st day of January last past, shall have a preference to perfect titles thereto: *Provided*, no one shall be permitted to appropriate more than 640 acres, nor less than 50 acres of land. After some short debate the motion was ordered to lie on the table.

The Speaker laid before the house a letter from the Secretary of War, transmitting a list of specific appropriations, transferred from one object to another during the late war, &c. which was referred to the committee of Ways and Means.

Tuesday, Dec. 12.

Several petitions were presented and referred. A letter was received from the Comptroller of the Treasury transmitting the annual statement required by law of outstanding balances.

Wednesday, Dec. 13.

The Speaker laid before the House the following letter from Mr. Macon, of North Carolina: **TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.**

Sir—I deem it my duty to inform you, and the members of the House, that I have this day by letter to the Governor of North-Carolina, resigned my seat in the House of Representatives.

I cannot withdraw from those, with whom I have been associated for years, without expressing the grateful sense I entertain of the uniform kindness, and assuring them, that it will be remembered with pleasure during life. I am, &c. &c. NATH. MACON.

Washington, December 13.

On motion of Mr. Easton—*Resolved*, That the committee on public lands, be instructed to enquire whether any, and if any what, alterations and amendments are necessary to be made in the law giving the right of pre-emption to settlers on the public lands in the territory of Missouri, and also in the territories of Illinois and Indiana.

On motion of Mr. Cannon—*Resolved*, That a committee be appointed to enquire into the expediency of providing for the widows and orphans of the officers, non-commissioned officers, musicians and privates of the volunteers and militia, who have been killed in battle, died in service or of wounds received while in the service of the United States, during the late war, by allowing them donations in land or otherwise; and that they have leave to report by bill or otherwise.

On motion of Mr. Tucker—*Resolved*, That the committee for the district of Columbia, be instructed to enquire into the expediency of providing by law for the enclosure and improvement of the Public Square near the Capitol in the said district.—*And Resolved*, That the committee for the District of Columbia, be instructed to enquire into the expediency of authorizing the Secretary of State, on the part of the United States, to subscribe for a certain number of copies of an edition of the laws exclusively relating to the District of Columbia, proposed to be published by J. B. Colvin, of said district.

Mr. McLean offered for consideration the following resolution:—*Resolved*, That the com-

mittee on the Judiciary be instructed to enquire whether any, and if any, what amendments are necessary to a law passed at the last session of Congress, entitled, "An act regulating and defining the duties of the United States judges for the territory of Illinois."

The resolution was agreed to, after having been amended, on motion of Mr. Jennings, adding thereto the following: "and also such amendments are necessary to the act passed at the last session of Congress, regulating the duties of the General Court of the territory of Indiana."

On motion of Mr. Wilde—*Resolved*, That the committee on the Judiciary be instructed to enquire, whether any, and if any, what additional provisions are necessary to be made for the more effectual awarding, granting, issuing, and returning writs of habeas corpus, by the Courts of the United States.

Thursday, Dec. 14.

Several petitions were presented and referred, among which, a petition of sundry inhabitants of Philadelphia, praying the establishment of a National Bank, and the petition of sundry inhabitants of the Mississippi Territory, on the Pearl river, praying that a census may be taken of the population thereof, and preparations be made for admitting the same into the U. States.

The Speaker laid before the house a letter from Wm. Lambert, transmitting certain resolutions made by him respecting the longitude of the City of Washington, which were ordered to lie on the table.

On motion of Mr. Lewis. *Resolved*, That the committee for the District of Columbia be instructed to enquire into the expediency of collecting the capital by erecting the centre building according to the original plan.

On motion of Mr. Thomas. *Resolved*, That the committee on public lands be instructed to enquire into the expediency of granting rights of occupancy and pre-emption, at \$2 per acre, all such persons as shall be actually settled on the first day of October 1816, upon any section of land obtained by treaty or conquest from the Creek nation of Indians during the war.

Friday, Dec. 15.

Mr. Lowndes from the committee of ways and means, reported a bill making further appropriations for defraying the expenses of the army militia during the years 1814 and 1815; which was twice read and committed.

A letter was received from the Secretary of the Navy, relating to the application of the moneys appropriated for the navy establishment, which was ordered to be printed.

Mr. Forsyth, after a few introductory remarks pointing out the inadequacy of the compensation allowed to the Librarian of Congress, offered the following resolve, which was adopted:—*Resolved*, That the Library Committee be instructed to enquire into the expediency of increasing the salary of the Librarian of Congress, and also of allowing an additional sum to the Librarian, for his extra services since the closing of last Congress.

Foreign & Domestic News.

FOREIGN.

MURAT.—A letter to a respectable merchant in Baltimore, received by the Gen. J. son from Leghorn, dated Leghorn, Oct. 25, says:—Since my letters were closed, information has been received in town, that Murat had been shot at a place called Pizzo.

[TRANSLATED FROM THE BALTIMORE PATRIOT.]

Extract of a letter officially sent to the signed.—Murat embarked on the night of the 28th of September, with 200 armed men, (about 30 officers, on board six gondolas, (boats) with provisions for 2 days. A vessel started in the night, between 26th and 1st forced the expedition on the coast, and seized the six boats. On the 4th was discovered the coast of Sorrento a boat, which was held to appertain to Barbary cruizers, and seemed to be looking out for waiting for vessels.—On the 5th, a signal was made by another in the gulph of Salerno, and the more boats were perceived to rejoin the fleet.—Murat debarked with Gen. Francesched colonel, and about 50 armed men, at the coast of Calabria, not far from N. Leone, and about 48 hours march from N.—He left 40 men and some officers on the other two boats, giving orders to sail the coast of Calabria.—He had scarcely embarked, when he proceeded to the great assembly of the people, and ordered them to long live King Joachim, telling them that the King, and came to take possession of the states.—At this time there was a strong moment of uncertainty followed by the peasantry and other brave men of the neighborhood, having learnt the landing of Murat, they assembled and came to attack him with a warm and obstinate resistance. Murat was overcome, and he himself was taken in iron, and conducted to Gen. Sur commander of Calabria. At the door of the Courier, the most perfect tranquillity in that Province. On the 16th the Neapolitan gun-boats entered the bay, sailing along that coast, whose owners as the officers, declared that Murat had been in Ajaccio, that he meant to go to but when arrived off Cape Carbonara, he commanded to steer for Calabria.—A Royal Consulate of the Two Sicilies, Oct. 18.—(Signed) D. Casper Di-perci.

By particular accounts dated at Naples, we have the following further details of this event:—Some time back a brig was dispatched by Murat, had penetrated a Naples, who however was instantly captured and still remained in prison, without he yet confessed the criminal commission which he was charged. Moreover, a persons who landed at Pizzo, were four copies of divers proclamations by Murat to create an insurrection of the people against their legitimate sovereign. On notice of this mad attempt, the Prince had been sent from Naples, with instructions to the governor-general Nunziante, but met on the route the courier, bearer of