From the above table it will be seen that the greatest banking establishment in America is the United States Bank of Pennsylvania, with a capital of 35,000,000 of dol­lars. There is another bank in this state, with a capital of 5,000,000 dollars, seven with capitals of between 1,000,000 and 2,500,000 dollars, eighteen with capitals from 224,000 to 752,000 dollars, and seventeen with capitals from 60,000 to 185,000 dollars.

The following is a statement of the banking capital in the state of New York.

Capital in Dollars.

4 2,000,000

4 1,000,000 to 1,500,000

15. 500,000 to 750,000

39 200,000 to 242,000

31 100,000 and under 200,000.

Of fifty-one banks in Maine, the largest capital is 300,000

dollars ; and there are only six that have a capital above 100,000 dollars. Of the twenty-eight banks in New Hamp­shire, there are only six that have a capital above 100,000 dollars. Of eighteen banks in Vermont, the highest capital is 300,000 dollars ; and there are only three that have a capital above 100,000 dollars. In Massachusetts there are 120 banks.

Capital in Dollars.

1... 1,800,000

1 1,500,000

4 1,000,000

18 at or above 500,000

7C at or under 200,000, chiefly 100,000.

Of sixty-two banks in Rhode Island, there are fifteen of which the capitals are between 200,000 and 500,000 dol­lars, and there are twenty-nine under 100,000 dollars ; the residue between 100,000 and 200,000 dollars. Of twenty-three banks in Maryland, there are three whose capitals are from 2,000,000 dollars to 1,199,350; eleven with capitals from 250,000 dollars to 627,110. Of the re­sidue, the capitals are from 50,900 to 175,000 dollars. In Virginia there are five banks, with twenty branches, of which the capitals of three amount to 6,337,000 dollars ; those of the other three are from 500,000 to 700,000 dol­lars. In North Carolina there are three banks, with seven branches ; amount of their several capitals, 1,500,000, 800,000, 225,000 dollars. In South Carolina there are eleven banks, with two branches ; eight with capitals va­rying from 800,000 to 2,000,000 dollars. In Georgia there are twenty-one banks, with sixteen branches ; six with capitals from two millions to one million of dollars ; ten from 600,000 to 250,000 dollars. In Alabama, New Or­leans, Tennessee, Kentucky. Indiana, the capitals of the banks vary from 500,000 to 2,500,000 dollars. They are generally above a million of dollars.

From the above statement, the capital of the American banks in many cases appears to be inconsiderable. Even this capital was not always paid up, but consisted in part of the promissory notes or simple bonds of the share­holders, or for which the stock primarily paid in was pledged. Laws were passed to guard against such abuses, but these were evaded. Complaints were general against the banks in the southern states, for entering into rash engagements to assist, with permanent loans, railroads, canals, and other improvements ; thus locking up the funds that should have been available for other purposes.@@1 Among other expe­dients, the issue of bank post-bills was resorted to, by which debt was accumulated, and the evil day of payment was for a time delayed. The Scotish banks were formerly in the practice of issuing notes with what was called an optional clause, deferring payment for six months, which was wisely prohibited by act of parliament. The post-notes of the bank of the United States were gradually increased, as its affairs became involved, from 4,376,424, its amount in July 1838, to 8,994,443 dollars in Novem­ber following; and other banks in the United States re­sorted to this and to other hazardous devices for raising money. It is not easy to determine the due proportion between the stock of specie and the liabilities of a bank. The bullion in the Bank of England has varied from one third and one fourth to one fifteenth of its circulation and other liabilities; and the American banks have generally retained in their coffers a proportion of bullion, amounting to a tenth, a seventh, a fifteenth, but sometimes not to above a 200th part, of the circulation and other liabilities. On a general average of all the American banks, the stock of specie amounted, in January 1839, to about forty-three millions of dollars, which was about one fourth of the cir­culation and other liabilities.

Though cash payments were generally resumed in 1838, a partial suspension again occurred at the close of the year 1839. The commerce of the country had by no means recovered from the recent shock ; want of confidence still prevailed, and a scarcity of cash; and many were deeply involved in speculations of doubtful issue. The great bank of the United States in Pennsylvania, notwithstanding its large capital of thirty-five millions, was engaged in vast adventures, and was greatly embarrassed by the want of funds, to provide which it had been reduced to various shifts ; among others, to the issue of post-notes, to the amount, as already stated, of above eight millions of dol­lars. No efforts however could any longer maintain its sinking credit ; and its notes being refused by the bank of the United States in New York, as well as in Europe, its payments were finally suspended in October 1839, when the notes fell to a discount of ten per cent. It was pro­posed to resume cash payments in January 1841 ; but, ac­cording to the last accounts, a new panic bad arisen in the United States, and it was doubted whether this resolution would be carried into effect, and even whether the assets of the bank would be found equal to its liabilities. All the southern banks suspended their cash payments as soon as they heard of the suspension of the Philadelphia bank ; but those in New York honourably fulfilled, and still have continued to fulfil, their engagements, and to pay their notes on demand.

The debt incurred by the United States at the close of the war with Great Britain in 1783 amounted, with ar­rears of interest in 1794, to 76,096,468 dollars, equal to L.17,121,704. It was reduced to 45,154,189 dollars in 1812. In 1815, after the conclusion of the war which be­gan with Great Britain in 1812, the debt had increased to 158,713,049 dollars, and was reduced in 1820 to 91,225,560 dollars. In 1835 it was entirely redeemed; and in the follow­ing year a surplus had accumulated, which, with the reserva­tions of five millions of dollars, was, in conformity with an act of Congress, distributed, as already stated, among the several

@@@\* The Select Committee of the State of Ohio observe : “ This sudden expansion of the currency gave an unnatural impetus to the ordinary business of the country, and opened the way to all the wild schemes of speculation that the imagination of the most enthusiastic fortune- hunter could invent. the hitherto honest, industrious, and virtuous tiller of the soil, became a bold adventurer upon the broad sea of spe­culation ; the mechanic turned merchant ; while the professional man, and the cautious dealer in dry goods and groceries, became proptietors of cities, and the nominal owners of immense tracts of wild lands." See Papers laid before Congress, Document No. 227, p. 617. “No state in the Union,” says the Report of the Commissioners of the State of Mississippi, “ is more deeply injured by an expanded currency than Mis­sissippi. the price of almost every article is nearly doubled, and in some instances trebled.” In this state, the capital invested in banks bad increased from 950,000 dollars, the capital of one bank, to 75,000,000 dollars in 1839.