in a dark and stormy night, tries to avail himself of the rapid flashes of light, in order to trace an unknown path. I was fearful that my misfortune would discourage the whole army—and therefore, I availed myself of the favorable disposition of Houston, to avert great disasters.

This was my only motive in giving the first orders to Gen. Filisola, who on the 30th of April answered my despatches, sending Gen. Woll to the Texan head quarters with a flag of truce. In fact this brave officer should have addressed himself to Houston, in order to obtain those formal guarantees which the unconditional adhesion to my orders could not procure. Filisola should have claimed us, or taken some step in our behalf, in which he would probably have succeeded; especially if the critical position in which our enemies were placed, their proximity to and the numercial superiority of Filisola's forces are considered. Our lives might then have been guaranteed, our sufferings lessened, as likewise those of the prisoners of war, who were otherwise abandoned to their fate. All this was the easier to be obtained, as Major General Wharton proposed on the 23d to Houston, to send him to Filisola's camp in order to settle the basis of an armistice, which could not be effected, because although Houston consented to it, some of the more violent officers opposed the measure. This sufficiently proves the situation of the enemy at that time and their precaution. My sorrow was indeed great, when on the arrival of Gen. Woll, I learnt that at the first news of my misfortune (a very common occurrence in war) the whole army was thrown into confusion; and that instead of attacking the enemy, a retreat to Matamoras had actually began.

'However, as the above mentioned communications from Filisola showed some dignity, and Gen. Urrea having informed me of the good feeling among his soldiers, Houston could not divine the true intentions of General Filisola, and actually feared his respectable forces, as they might have reduced to nothing those of the Texans—Houston therefore renewed his flattering promises. It was then that I complied with *his* wishes, by signing the orders for a suspension of hostilities, thus saving the *honor* of the Mexican army, and securing the lives of more than 500 Mexicans who might otherwise have been placed in great jeopardy.

'The attentions shown me by General Houston in these moments of distress and the apparent sincerity manifested in his conversation so far influenced my mind as to trust to his promises In the mean time, he who was called President of Texas, his ministers, and Don Lorenzo Zavala soi disant Vice President, called on me and expressed the same friendly and conciliatory feelings, and it was agreed that I should be conveyed in a steam boat to Velasco, in order to settle the armistice or convention contemplated by Houston.

'In the mean time Houston was preparing to leave for New Orleans, there to seek relief for a wound received at San Jacinto; and when we parted he told me that the Cabinet of Texas would settle matters according to his own wishes and instructions The Minister of War (Rush) took then the command of the army, about 800 men, and 3 field pieces. which were the only forces at the time in the whole Republic of Texas. Previously to his departure he visited me again, repeated his predecessor's offers and promises, and left with me a copy of various clauses of the contemplated agreement or convention—all of which took place before I embarked for Velasco.—Here many serious discussions took place on said clauses, and at last, on the 14th, I succeeded in reducing the high pretensions of the people to the conditions of the convention I signed on that day; and either from political motives, or rather to conceal from the populace and soldiery, that my liberty was agreed upon, without further loss of time,' said convention was divided into *public and private*. In the public convention it was stated that my liberty should be granted when the cabinet should think it convenient. * * * * *

Now by clearly analyzing both conventions, it will be found that both had for their object a suspension of hostilities in favour of our army, the delivery of the prisoners as well as my own liberty, which I believed (though perhaps erroneously) might prove beneficial to the former, as likewise to the nation and its cause. It was to attain this primary object that I tampered with and cajolled the enemy.'

Santa Anna then alludes to the conclusion of the Convention, to his embarcation for Vera Cruz, his subsequent arrest and disembarcation on the 4th of June, in consequence of the unexpected arrival of General Green from New Orleans, with a party of 130 infuriated volunteers; and he thus proceeds—

'The ferment which this circumstance created cannot be easily described; suffice it to state, that every volunteer thought himself at liberty to take away my life; that on the 28th of June a pistol was fired through a window near my bed, with the ostensible intention of killing me. Colonel Almonte, or Colonel Nunez, and finally, that on the 30th of June, instructions were given that the three should be taken from Columbia to Goliad, to be shot on the same spot where Fannin and his prisoners had been killed; and that, thanks to Col. E Austin, who allayed the popular fury, by calling the attention of those who were excited, to a letter to be addressed to General Jackson respecting my pacific intentions towards the Texans, the above instructions were repealed, and the storm was succeeded by a calm, which at least permitted General Houston, to carry into effect his primitive plan in my behalf. In order that the zealous (*exaltados*) Texans should not, by mistrust, renew the scene of the 8th of June, Houston determined that I should go to Washington, accompanied by three of his officers, and although a journey by land to that city during the severity of winter was not a very pleasant task, I was obliged to submit, for there was no other alternative left to extricate myself from my dangerous situation.

'General Jackson's answer is founded on a misinterpretation of my letter to him, and by comparing the former with the latter it will be found so. My only intimation was that he would mediate with the Texans' in order that they would fulfil their engagement, with regard to my liberty, in the same manner I had partly fulfilled mine, and felt disposed to comply with the remainder when required. But his negative answer entirely settled that point; and my liberation from confinement was more the effect of a spontaneous decision and generosity of General Houston, than the result of General Jackson's recommendation Houston did not explain to me whether he was induced to act in the manner he did, in consequence of any information he might have had that my return to Mexico would cause a revolution in the country, by which Texas might be benefitted. He spoke to me about generosity, and nothing else, and I feel grateful to him.

'There existed three powerful motives for my going to Washington, two of which were indispensably necessary, and the third was required for the good of the country. Far from alarming the Texans with my liberation, it was, on the contrary necessary to persuade them of my adhesion to their plans and policy. Nor would it have been prudent to go to New Orleans—there being no possibility of going direct from Texas to Vera Cruz, for want of communication—because New Orleans has been the focus of the revolution of the Texan settlers, and I should have run great risk of being ill-used by the people there. Finally, good policy demanded that I should approach the cabinet at Washington, in order to sound their opinions in regard to us, as well as Texas.'

HIGHLY IMPORTANT FROM MEXICO.

The slips from New Orleans, of date May 22, brings us important intelligence from Mexico.

The Lady Hope, Arnoux, arrived at New Orleans on Saturday, May 20, from Metamoras, from which place she sailed on the 14th inst. bringing intelligence that the United States merchant schooners Cora, Leonidas, Mechanic, Rob Roy, Porpoise, Julius Cæsar, and Champion, have been detained in that port by the Mexican authorities. The crews and passengers of the two latter have been landed, imprisoned, and report says, tried and condemned for piracy.

The Texan schooner of war, Independence, Capt. Wheelright, had been captured by the Mexicans and carried into Vera Cruz, after a severe contest, in which her commander was reported to have been so severely wounded as to put his life in danger.

The U. S. sloop of war, Boston, had been cruising off the Brassos from the 10th to the 12th inst, vainly demanding the release of the detained vessels. No answer was returned to her demands by the authorities, and finally on the latter date, she sailed for Pensacola.

The Levin Jones from Tampico, arrived at New Orleans on the 21st inst. and brings confirmation of part of the intelligence brought by the Lady Hope, namely the capture of the Independence. It appears she was taken by two man-of-war brigs, after a most gallant and protracted resistance. None of her crew were killed, but several wounded, some severely, amongst whom was her commander. who, however, we are glad to hear, is in no danger from his wounds.

Between the Lady Hope and the Levin Jones, they have brought about $100,000 in specie, which is a very seasonable supply at this moment

The Gazette of Tampico of the 29th April, contains the following details relative to the capture of the Texan schooner, Independence. Last evening arrived and anchored off the Brassos St. Jago, the brigs of war, Libertador and Vincedor de Alamon, under the orders of the commander of the squadron, with their prize the Texan schooner of war, Independence, which was bravely defended before she was taken, and her captain severely wounded by a ball in the abdomen. In this vessel was made prisoner Mr. William H. Wharton, who was proceeding to the United States as Minister Plenipotentiary. Among the cannon found on board the Texan schooner, was one eight pounder, lost some time since at San Jacinto. It was considered by the Texans as one of their chief trophies. The prisoners have been treated with generosity by the express order of his excellency, the commander-in-chief, who directed that the wounded captain and Mr Wharton should be carried to head quarters.

The Bee had received advices by the Levin Jones, from Tampico to the 6th, and from the city of Mexico to the 1st of May.

The American vessels which had been detained at Brassos St. Jago under pretence of the acts of the sloop of war Natchez, received permission from the commander of the army of the north to proceed to sea. The Journal of Matamoras remarks on this subject: 'This permission was granted in consequence of the disappearance of that sloop of war from our coast, and the injuries, experienced by our commerce by the detention of those vessels, the causes which have thus occasioned their detention having ceased.'

The Mercurio of Matamoras of the 5th May states that a body of Texans had suddenly fallen upon the town of Bexar in order to carry off the Mexican families residing there. and the latter having made resistance, several persons were killed. On retiring the Texans set fire to the town and embarked in their vessels.

DINNER TO MR. WEBSTER.

Mr. WEBSTER reached Wheeling, on his western tour, on Saturday evening last, and was treated to an informal, but numerously attended public dinner on the following Monday. Understanding that he was expected to arrive at Wheeling from Pittsburg on Saturday, about one hundred of his friends chartered a steam boat and proceeded up the river to meet him. They met their distinguished visitant some distance below Steubenville where the two boats were lashed together and ran down to Wheeling. At the wharf, as we learn from the Times, the boats were met by four or five thousand citizens, who had assembled to welcome the arrival of the statesman and orator. Mr. WEBSTER remained over Sunday at Wheeling, and on Monday, about two hundred of his friends took a snug *family* dinner with him, at the Virginia House.

From the toasts drank on the occasion, as given in the Wheeling Times, we have space only for the following:

Our Country.—Wronged and mis-governed by ignorant unprincipled rulers, oppressed by a Government engaged in a wicked and unnatural warfare on its best interests; we have yet entire confidence in its ability to emerge from its present disastrous condition.

The Union.—As it is, without addition or diminution.

The Constitution.—As administered by Washington and explained by Madison, not as perverted from its legitimate construction by its more modern commentators.

The memory of Alexander Hamilton.—The first statesman of the age. *How* signally the predictions of his profound forecast and sagacity have been verified by the past and present experience of the country.

The present condition of the Country.—The legitimate and foretold result of a series of extraordinary and violent measures, all tending in their consequences to the prostration of confidence and credit.

Our distinguished Guest.—His manly and untiring, though unsuccessful efforts to sustain the supremacy of the Constitution and the laws against the encroachments of Executive power, and to avert the catastrophe that now impends over the country, have given him a new claim to the gratitude of his countrymen, and added a new lustre to that fame which was already imperishably identified with the history of our institutions.

In reply to this sentiment, Mr. WEBSTER rose and replied in a manner appropriate to the man and to the time in which it was delivered, and closed with the following sentiment:

Our country—Our free Government.—Never to be despaired of, never to be deserted.

Henry Clay.—The worthy coadjutor of that distinguished guest in the cause of constitutional liberty. We cherish his fame as amongst the brightest treasures of our country's glory.

The expunging of the Journals of the Senate.—An act of unparalleled meanness and subserviency; no allowance for the rancor or virulence of party spirit can excuse or extenuate it.

CIRCULAR FROM THE TREASUARY DEPARTMENT TO THE DEPOSITE BANKS.

TREASURY DEPARTMENT,
May 18th, 1837.

Sir.—As the painful information has reached this Department, thro' the public press, that your bank has suspended specie payments, the object of this letter is to learn, officially, if the fact has happened, and to receive such explanations concerning the reason for it, and the future course of your business, as it will be apparent, are so important to the Department to know, under the existing liabilites and relations between you and the government.

While on the one hand it is deemed proper that such indulgences should be granted by this Department to its former fiscal agents, as they may request consistently with the laws and the present state of the Treasury, it must be apparent on the other hand that nothing can be granted which is likely to endanger the safety of the public funds, and other important public interests.

The imperative provisions of the act of June, 1836, make it the duty of this department to discontinue ordering any further sums of public money to be placed with the deposite banks, after suspending specie payments And hence you are notified, that no more can thus be deposited in your institution, provided such a failure to redeem your notes has actually occurred.

It is also made my duty, as soon as practicable, to select other depositories, and place with them the money of the United States in your possession, as well as the accruing revenue; but the department will endeavor to draw out the funds in your hands by warrants and transfers, reasonable in their amount, and in the periods of their payment. Such warrants and tranfers, it is trusted, you will at all times be anxious and able to meet, in a manner satisfactory to all concerned; not only with a view to fulfill faithfully your contract and relieve the Treasury and its creditors from embarrassment and losses, but to exonerate yourselves and sureties from consequences equally injurious, inevitable and unpleasant.

I trust, further, that you will continue to regard it your duty, while any public money remains in your possession, to forward regularly all the returns and statements which are required by your agreement—the mutual advantages from doing which cannot fail to be obvious.

The Department will also feel much obliged, if you will furnish, as early as practicable, replies to the following inquiries, in order that it may be in possession of such intelligence from you, in an authentic form, as will be useful to the community and the States, and very material for regulating properly the future measures of the Treasury. Those inquiries are;

1st. Whether you expect to resume specie payments soon, and what made you propose to take fully and seasonably to indemnify, secure, and satisfy the Government and the public creditors for any branch of your agreement and bond?

2d. What [illegible] resume specie payments soon, any particular time for it hereafter has yet been decided on. and what special efforts or arrangements you intend to make for that very important object?

I am, respectfully, your ob't.
LEVI WOODBURY,
Sec of the Treasury.
To the Cashier of the——Bank.

CIRCULAR.

KINGSTON HALL, Somerset co. Md.
May 1st 1837,

MISS CARROLL,

Has now in employment a French lady, highly qualified to teach the French Language, and to instruct in Music, instrumental and vocal, and also to give lessons in Drawing and Painting.

Her School is located in a pleasant part of Somerset county, and is distant about ten miles from Princess-Anne, the county town.—A Steamboat from Baltimore arrives once a week near Princess Anne, where carriages can always be procured to convey persons to the School. Stages also from Delaware arrive twice or thrice a week at Princess-Anne.

The principal studies attended to in this School are as follows:—Reading, Writing, Composition, English Grammar, Geography with the drawing of Maps, History, Natural & Civil, Rhetoric, Natural & Moral Philosophy, Astronomy, Chemistry, Logic, Political Economy, Conchology, Mythology, Geometry Arithmetic, with Book Keeping and Algebra, Geology, Botany.

TERMS.

Board and Tuition in all the English branches,	$25	per quarter.
Washing,	3	" "
Bedding,	2	" "
Day Scholars,	5	" "

EXTRA CHARGES.

Music with the use of the Piano,	13	" "
French,	6	" "
Drawing and Painting,	5	" "
Oriental Work,	2	" "

Books and Stationery furnished at cost.

Payments to be made in advance, at the commencement of every quarter,

There will be a public Examination in every Session. The Vacation will take place the last day of August, and continue till the first Monday in October.

The Institution will be under the immediate supervision of Miss Carroll's father, THOMAS KING CARROLL.

May 20. 3w

Notice.

To all persons whom it may concern.—We the undersigned commissioners appointed by the Honorable Judges of Talbot County Court, to go upon and enter the lands of Clementina Hopkins deceased, and value and appraise the same in current money, and divide and make partition of the said lands, among the Representatives of the deceased, according to law—if the said lands can be divided, without loss or injury to all the parties—In Execution of the said commission we will meet, on the premises, near the Trappe, on Monday, the fifth day of June next. Witness our hands, March 28th 1837.

Solo. Dickinson,
John Edmonson,
E. N. Hambleton,
Solo. Mullikin.

April 1 1837

[*Correspondence of the National Intelligencer.*]

NEW-YORK, May, 25.

All continues quiet in the city except the continuation of the everlasting rain-storms which threaten us with a flood. For a week or ten days rain enough has fallen to fill a common ocean, while the weather, without interruption, has been severe as the times.

Business continues dull, very dull. But little is doing, and we have a great many to do the little that is to be done. It is sad sight to see our public streets, wharves, and marts of business! So different do they appear from the same places a year since. Pearl street for example, is comparatively deserted. We have no importations, no sales, and of course no buyers. The process of retrenchment and reform continued, in the end must help to hasten the consummation of these sad and melancholy times.

The Northern and Eastern mails arrived early this morning. They bring no news, however. Albany and Boston are as quiet as New York and probably more so. The manufacturing towns of Massachusetts however, are loud in their complaints of distress and embarrassment. At Haverhill two thousand persons have been thrown out of employ, and Haverhill is the least in the list of suffering towns.

The Liverpool packet ship left the city to day, though it is probable she will be compelled to anchor in the harbor until to morrow, or until the weather improves. The ship takes out a large quantity of specie.

Notwithstanding the pressure of the times, specie will go to Europe from the United States. And how, in these times of suspension of specie payments, perhaps you ask, can it be obtained? In the first place, the brokers buy it at a premium, and, in the second place, those who owe England buy it of the brokers and send it to Europe. The Globe, no doubt, will make a wry face at this exportation of specie, particularly when it is told that the amount exported since the commencement of last winter is at least *three millions of dollars*, and the general estimate of the best informed men says four millions. But, if the editor of the Globe is willing that American houses should sustain their credit for the future by the payment of their honest debts, he will not complain when we are paying but a small moiety of the debt we owe. The brokers get their specie from that large class of persons who for years past have saved their earnings in gold and silver. Old stockings, trunks, boxes, &c, are therefore opened, and the specie is sold to our brokers for the handsome premium of six, seven, and eight per cent. The brokers pay in bills, and paper money at the present serves all the ordinary purposes of business.

Remarks of the Rev. Mr. Plumer of the Presbyterian Church, Richmond, at a meeting of the Colonization Society, in N. Y, May 10th 1836—In alluding to the Abolitionists the Reverend gentleman said:—

"Don Quixote was a very good man. a very benevolent man—I doubt if the history of the world can show a single example of a man more benevolent than he. His heart burned with the intensity of his desire to see all the world happy—and under the influence of this benevolence the worthy Knight resolved not to stand himself in one Province and tell the people of another Province what they ought to do, but to mount Rozinante and [illegible] *them do it.* This very benevolent man, one day in his travels found an apprentice tied to a post and his master lashing him severely.—His sympathy being of course with the oppressed, he came up at once to the master, and accosting him without ceremony said to him—you are a cruel tyrant, if you do not immediately let the boy go loose I will run a tilt against you—the master looked in his face, and observing that the beamings of benevolence were accompanied with gleams of a fixed and bold resolution. dropped his whip, untied his apprentice, and let him go, and the worthy knight blessed God that he had not come forth in vain to redress the injuries of mankind. But some time after, as he was prosecuting his journeyings, he met the self same apprentice, and was astonished to find that the boy, instead of thanking and honoring him, treated him with the greatest rudeness and even poured curses on his head—on enquiring into the reason of such strange behaviour towards his benefactor, the boy replied, why sir, it is indeed true that you compelled my master to untie me, but after you went away, my master immediately tied me up again. and give me not only all that he intended to give me when you interfered, but then laid on me all that you deserved besides. The Don found that his remedy was neither peaceful nor effectual. He accomplished nothing. though he was certainly a most benevolent man. This same worthy Knight, on another occasion met a company of people loaded with chains and driven like cattle along the high way—it being sufficiently obvious that they were going to suffer some enormous cruelty, he determined forthwith to release them and driving furiously at those who had the charge of them, he at once knocked off their fetters and set them all at liberty. Presently a smoke was seen to arise from a barn in the neighborhood, and soon after from a dwelling house, and news came that this man and that man had been murdered, and on further enquiry all these outrages were traced to the company of Galley Slaves whom Don Quixote had set free. This mode of Emancipation was benevolent, and in some sort effectual, but hardly peaceful—and tho' he was most resolute in his determination to prosecute it, it all came out as they say at the West, at the little end of the horn. But the Colonization Society proposes to itself no remedies of this kind—it runs a tilt at nobody, but proposes a remedy for all the evils of Slavery, which has been found on trial to be both peaceful and efficient."

Extract from Mr. Clay's speech at the meeting of the American Colonization Society, at Washington in December 1835.

"I have been induced on this subject to attend more particularly, to some observations of an excellent citizen of one of our Northern States, (Mr. Gerrit Smith) and one who has been among the most munificent patrons of this Society. The remarks I allude to, were made by him at a meeting of the Abolition Society within the limits of his own State. I was struck with the ground he took on that occasion. It is the ground of *free discussion*—of *individual right* to *free discussion* on *all subjects*.

"Now Sir, what is this alleged right of discussion. Let us analyze it. Let us define it. Let us see whether it has *any* and *what* limits. What is political discussion itself? it is something had in order to *decision*—*discussion* is the first process, *deliberation* the intermediate stage, and *decision* the ultimate end The right of political *discussion*, therefore, exists only where the right of political *decision* exists. These Abolitionists of the North must shew that this *discussion* to which they so strongly assert their right, is in order to *deliberation* which they may rightfully entertain, and to a *decision* which they have a *right to make* If they have no right to *deliberate*, or no right to *decide*, they have no right to *discussion*—And this is their mistake! I admit that the right of free political discussion should know no restraint, it should be like the water on the air, which, coming to us from Heaven, should know no human restraints; but it is *free discussion in relation to ourselves and to our own affairs* A citizen of New York has the most perfect right to consider the Constitution of his own State, and all her laws,—to attack &to assail them—to shew their injustice if he can—to call for their repeal—to produce their revocation. But has he the right to go beyond the limits of his own State—to go into the Southern States and assail their Constitutions? to go to other countries and attack their Laws—to form Societies and take measures to produce the *discussion* of questions he has no right to *decide*? what is this pretension, to the *free discussion* of what does not concern us? is it not the same pretension the same spirit of Propagandism which was exhibited by France during the maddest days of Robespierre and which ultimately brought all Europe upon France and overturned her Government? Nay what is it but the very principle of *legitimacy*? the principle by which the allied Sovereigns are combined to put down or to set bounds in other States to human liberty—what is it but this officious and improper interference with the concerns of others, which (the very fact of its being such produces and must forever produce, the very opposite effect from that at which it aims? one effect it has produced in this country has clearly been, instead of *benefiting* the slave, to add new rigours and penalties, and to aggravate the melancholy of his bondage. But not only has it done this, even those who were the friends of a safe practical, and a gradual abolition of slavery, have been driven from their purpose. They have been driven to say to each other, "we had better stop at once while it is possible to stop" and they have accordingly met all projects for Abolition of any sort, or at any time, with an absolute stern, inflexible denial—*I* ask again therefore what have Abolitionists done? Where are their triumphs which we can hold up to the view of Philosophers and Philanthropists—where are they? among the Slaves? at the North? at the South? have they produced concord and harmony among the People whom a thousand ties bind?

"Yet from my youth I have devoted myself to the cause of human freedom—and whenever I see any man adopting its cause in favor of any class whatever of human beings I cannot but feel respect for their *motives* although I must deprecate their rash, desperate, and dangerous interference. I have been a member of this (the Colonization Society) from its origin * * * and I now say to those who are to come after me (for I feel that my own life is rapidly advancing) I say to the young men who are to push forward this cause after I shall have left it, to them I say in the well known language of our western waters "go ahead"—your object must succeed—if united religion with patriotism—humanity with justice and safety—I repeat therefore "go ahead."

From the New York American.

FACTS.

The Globe and its echoes, here and elsewhere, treat the suspension of specie payments by the banks, as the result of design and premeditation on the part of the merchants generally, and especially, of those of this city.

How do the facts bear out this imputation?

The first bank that suspended specie payments was a *Pet-Bank* at Natchez, on the 3d inst., and the immediate cause of the suspension was a draft for specie by the Treasury. How does that prove aught against the merchants?

It is pertinent and curious to remark here, that Natchez is situated upon the Mississippi, upon which river—in contradiction alike of the physical laws of nature, and the scarcely less regular and irresistible laws of trade—we were assured by Senator *Benton*, the Globe, and the rest of the wise and honest brotherhood, that a flood of gold should roll, and so inundate the neighboring regions, that every farmer, and every 'farmer's wife' too, we believe, was to have 'a big silk net purse, through the meshes of which the yellow gold would shine and glisten'

It seems a striking manifestation of what rhetoricians call 'poetical justice,' that the very river and region which were made subservient to this dishonest declamation—so insulting to the intelligence of the people were the chosen spots for the bursting of the bubble.

The next step in the process of causing the banks to suspend, was taken by the Comptroller of this State—neither a merchant, nor, so far as we know a speculator; but a thorough Regency-Van-Buren-Silas-Wright-Benton-Humbug man, and confidential correspondent of that two-penny great man, C. C. Cambreleng.

For reasons which have never been made very plain to the public—though possibly well understood by the Mechanics' and Farmers' Bank at Albany—the notes of the Buffalo Banks were, by the direction of the Comptroller, refused in payment of canal tolls. These Banks were subject to the Safety Fund—that patent contrivance for deluding the people, while rivetting together the money power and the political power of the State—and the discredit thus thrown upon their notes, and the subsequent shutting up the banks by an injunction from the Court of Chancery, unavoidably gave a shock to, and induced distrust of, other Safety Fund Banks.

Contemporaneous with this, were the transactions of two *Pet* Banks in New York, the *Dry Dock* and the *Mechanics' Bank*. The precise nature of the difficulties as to these Banks is not generally understood; and incidentally we remark it, as an evidence of how much this community is willing to bear, how anxious it is to believe that 'all is right,' and how submissive it is in bank matters—that the Stockholders particularly, and the community at large, should not have demanded a full explanation. Quite sure, we are, that under the same circumstances, in London, or Liverpool, any such doings on the part of the Joint Stock or incorporated Banks, would have been followed in eight-and-forty hours, by a meeting of the Stockholders, at which the officers would have been required to explain every thing.—This, however, by the way.

The consequence of these difficulties was a run upon the *Mechanics' Bank*—not by the Merchants—but mainly by those who for years, having heard from the Globe, and the pot house politicians, who find their wisdom, their virtue, and their truth, in that paper, nothing but denunciation of the worthlessness of 'rag money,' & the corruptions of aristocratic banks, 'rag barons,' &c mingled with praises of 'the better currency,' 'the constitutional money, 'the yellow glistening gold,'—reasonably enough concluded, upon the first alarm, that all they had so long and so often heard, was coming to pass, and, therefore, they rushed to the *Mechanics' Bank* to exchange its 'rags' and 'promises' for the 'hard money' of the constitution

By the strenuous and disinterested efforts of 'merchants,' who not only abstained from drawing out their deposites, but actually brought in, many of them, specie, while the Globe's converts, and followers were drawing it out—by the promptness displayed by the bank in paying as fast as the demand—and by an unqualified certificate from Bank Commissioner—*Geo. R. Davis*—of which more hereafter—that 'depositors and bill holders had nothing to apprehend, and that the bank was *safe* and *sound*'—the crisis was for a moment averted.

In a day or two, however, the *Dry Dock Bank*, connected in the public mind with the difficulties of the *Mechanic's Bank*, the origin and extent of which still remained wholly *unexplained*, became a mark for the *Globe's* disciples: and a much more serious run was made upon it.

The Dry Dock Bank was abandoned by its fellows—we cannot, with any means of information within reach of the public, say how wisely—and it was obliged to stop payment. Even, then, a frank explanation of the difficulties, and concert and harmony among the banks, might possibly have averted, or essentially mitigated, the obviously impending dangers But explanation there was none, and from the moment certain banks—we designate specially the Bank of America and the Manhattan Bank—had become depositories of the U. S revenues, the former harmony, equality, and community of interests between our banks, as State institutions, had vanished.—These larger banks, looking more to their new position, than to their old associations and legitimate duties, giving themselves airs, in very spirit of the times, because they had the 'glory of serving' under the General Government—accompanied, to be sure, in their case, as in that of the vulgar minded founder of the sect, with a goodly amount of profit—haughtily assumed to give the lead to the others, or, at all events, to keep themselves and their transactions to themselves.—Explanation, then, and harmony of action, were alike wanting. They stood apart—there was no concert.

The inevitable consequence was a run upon all the banks, which, as all know, was, for a time, confined wholly to holders of small bills, and to small speculators upon the premium likely to be obtained for specie. The merchants, as a class—with exceptions, doubtless—though too intelligent not to see the certain issue of the events passing before their eyes, unless speedily checked—*did not* draw out their deposites until late on the day of the 10th, (the last of specie-paying) the merchants stood by the banks unflinchingly, and discouraged all idea of suspending. After that, indeed, a great change was apparent—but even then, most of those among them, whom the Globe would probably designate as friends and agents of the foreigners, or of an U. S. Bank, left their deposites unlow-citizens.

The banks, after consulting among themselves resolved next day to suspend their payments.

What did the Merchants then? They had not suggested—did they *approve* the act? In no wise—but like good citizens, anxious to make the best of a bad case they instantly assembled and, after referring to the authorised statement in the morning papers, of the decision of the Banks to suspend their payments, and of their means of eventual solvency, passed these resolutions:

Resolved, That relying upon the above statement we have full confidence in the ultimate ability of the Banks of this city to redeem all their bills and notes, and that we will ourselves continue to receive and we recommend to all our fellow citizens to receive them as heretofore.

Resolved, That in an emergency like this, it is alike the dictate of patriotism and self interest to abstain from all measures tending to aggravate existing evils; and by mutual forbearance and mutual aid, to mitigate, so far as practicable, the present difficulties, and thus most essentially to assist in the restoration of specie payments.

No approbation is here—no encouragement to prolong a state of insolvency—but only the manly and becoming recommendations of mutual aid, forbearance and confidence, to the end of assisting a 'restoration of specie payments.'

Simultaneously almost with these proceedings, or within three days, and of course without the possibility of communication with this city, the Banks of New Orleans suspended payment—and since that, those of the whole United States, and of Lower Canada, have been forced to yield to the torrent.

From this exposition of facts, it would seem to follow that the imputation of a design among merchants to cause the banks to suspend their payments is wholly unfounded—and, in complete harmony with this conclusion, would be the *priori* deductions of reason.

Of all classes of citizens, the merchants and traders are those who have most to lose by a suspension of specie payments; for this plain reason, that every solvent dealer—and they are always the great majority—has more owing to him than he owes: consequently—ing

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