NEW-YORK DAILY TRIBUNE.

BY GREELEY & McELRATH, OFFICE NO. 30 ANN-STREET. FIVE DOLLARS A YEAR.

VOL. IV. NO. 290. NEW-YORK, THURSDAY MORNING, MARCH 13, 1845. WHOLE NO. 1221.

NEW-YORK TRIBUNE.

THE NEW-YORK DAILY TRIBUNE IS PUBLISHED EVERY MORNING, SUNDAY EXCEPTED,

AT 30 ANN-STREET, NEW-YORK,

And delivered to City Subscribers for NINE CENTS per week, or, when they prefer; they can pay in advance at the Desk for six months or a year at the same rate. Single copies Two CENTS. Mail subscribers Five Dollars per annum, in advance, and the paper in no case continued beyond the time for which it is paid. Subscriptions taken for six months. Three Dollars in advance required in all exchanges with Country Newspapers. Daily Papers received at this Office whose terms are higher than those of THE TRIBUNE are not allowed any difference.

TERMS OF ADVERTISING.

Five Lines, or less—First insertion	25 cents.
" for each subsequent insertion	12½ "
Ten Lines, and over six—First insertion	50 "
" " for each subsequent insertion	25 "
" " for one week	$1 50 "
" " for one month	$5 00 "
Marriages, Funeral Notices, &c. *not exceeding five lines*	25 "

☞ All Advertisements inserted in this paper appear both in the Morning and in the Evening Edition.

Yearly Advertisers—not to exceed 12 lines, with privilege of renewing advertisements at pleasure, (payable quarterly or half yearly in advance,) $40 00

THE TRIBUNE.

MEMORIAL OF A. FITCH,

BEING A REJOINDER TO A MEMORIAL PLACED BEFORE THE SENATE IN THE NAME OF

CHARLES GOULD.

To the Honorable Senate of the United States:

The undersigned has just come in possession of a memorial addressed to your honorable body, intended, ostensibly, as a rejoinder to a memorial presented by him to the Senate, and now in the hands of the Committee on Naval Affairs, to which it was referred. This memorial is signed by one Charles Gould. Of this man, or of his character, the undersigned has no knowledge whatever, except that he is a brother-in-law of Mr. S. D. Dakin.

He says, "making this appeal to your honorable body, he is actuated solely by a sense of duty to himself and to the Government." He also remarks, that "he, and he alone, as is stated in a letter appended hereto, prepared and laid before the President a statement, falsely attributed by Mr. Fitch to Mr. Dakin."

As far as the undersigned is able to judge, this Mr. Gould has been put forward for the purpose of screening those who were the sole actors in the transactions, in which the reputation, credit, and good standing of his house were concerned, referred to in the memorial before your honorable body.

How many parties there may have been concerned in the fabrication of the accounts of the house of the undersigned at Marseilles, in order, in the words of Mr. Upshur, to find "means to turn another man out of office, in order that he may get into it," the undersigned is yet unable to determine.

The undersigned, in his memorial now before your honorable body, stated that the first statement of his account that was made was prepared by Mr. Dakin. Such has been and is now the belief of himself and others. In Senate document 392, 1st Session 28th Congress, page 61, Mr. C. H. Winder says: "Mr. S. D. Dakin, of New-York, accompanied by Mr. A. G. Benson, came to my room in the Navy Department, and handed me a statement. At that time Mr. D. spoke of it as his statement; I so understood it to be, and so did Judge Upshur." This is also confirmed by the statement of Mr. Russell, a clerk in the department. Further and more particular information regarding the identity of the handwriting of Mr. Dakin, connected with the statement, and a letter addressed to the President, under date of the 27th February, will, as the undersigned understands, be communicated by Mr. S. D. Baker and Mr. C. H. Winder to the Senate. All these facts will enable your honorable body to judge of the degree of credence that ought to attach to the representations of this Mr. Charles Gould.

Mr. Gould claims the credit of having called the attention of the Government as to the manner in which my house had conducted the agency, as being disadvantageous to the Government. He inquires for the authority for drawing from the Government the sums which were placed in the hands of my house, and he specially inquires the authority under which $100,000 were placed in the hands of my house in the month of August, 1836. The answer to these inquiries is very simple. The whole was done by order of the Secretary of the Navy; or every one, the least acquainted with the regulations of the department, knows full well that every requisition on the Treasury issued therefrom must carry the signature of the Secretary of the Navy.

In his zeal to serve his employers, Mr. Gould has cast imputations of a serious character on the conduct of many men whose characters have ever been spotless and pure. Following a representation he makes, and asserting it as a fact, he says, it "is sufficient of itself, with all right-minded men, to brand with suspicion all the transactions of Mr. Fitch with the Government." He says, "the gentleman first entered into the contract with the Government, Mr. Woodbury, Mr. Dickerson, Mr. Paulding, and Mr. Upshur, have each presided over the Navy Department, and, by the order of each, moneys have been placed in the hands of the undersigned on account of the contract. The accounts of the undersigned have gone through the hands of the Fourth Auditor, at the head of which bureau, for a part of the time, was Mr. Kendall, Mr. Pickett, and A. O. Dayton, Esq. They also had to pass through the hands of the Second Comptroller, Governor Parris. Now, will any one suppose that, if there was that in the account and transactions of the undersigned to "brand with suspicion," it would not have been detected. The allegation of Mr. Gould charges all the above-named gentlemen with collusion, and with having been bribed.

Mr. Gould lays much stress on the fact that the contract called for the supplying of Spanish pillared dollars, while other coin was substituted in part for them. The answer to this is simple. In document 392, 1st session 28th Congress, page 54, will be found a letter from Mr. Dickerson, Secretary of the Navy, to Commodore Elliott, in which he says: "In receiving payments or requisitions from Fitch, Brothers & Co. you will receive one-third in Spanish pillared dollars, one-third in doubloons, and one-third in five franc pieces, at the rate they pass in Spain, as it is represented these can be used without detriment to the service." In addition to this, it is well known that the five-franc pieces are more valuable, according to intrinsic value, (for small disbursements,) in many parts of the Mediterranean, than Spanish pillared dollars.

Great complaint is made by Mr. Gould, because he can find no account, transferred to the Navy Department by the undersigned, to show the principle on which he based the interest account, which left a balance in his favor of $14,468 19. He also insinuates that it has been withdrawn by the undersigned. If such accounts cannot be found in the department, it is not the fault of the undersigned. Under date of the 29th of April, 1844, he enclosed to the Secretary of the Navy a synopsis of the interest account, as well as a reconciling statement of the Fourth Auditor, showing that the accounts of Fitch, Brothers & Co. had been adjusted up to that time, with the exception of the two small sums of $300 and $600, the necessary vouchers for which have since been received. On the 17th of June last, the undersigned enclosed to the Secretary of the Navy a full and complete account current, with the detailed interest account.

The undersigned will now endeavor to expose the real actors in the transactions to which he referred in the memorial already presented to the Senate.

As long ago as 1842, Mr. Gould, in a letter addressed to Mr. S. A. Allen, says he was shown the accounts of Fitch, Brothers & Co. made an abstract therefrom, and from that made a statement, which *he sent to the President*. This, he says, was a *confidential* letter and statement. For what reasons this letter, dated as recently as the 18th ultimo, should have been addressed to Mr. Allen, a clerk in the Navy Department, and who, as has heretofore been shown, committed a blunder of more than $100,000 against Fitch, Brothers & Co. in the accounts he made out, under instructions, the undersigned is at a loss to conjecture. In this letter it is shown that Mr. Gould, the President, and Mr. Allen, are parties in the combination against the honor, character and reputation of the undersigned. It has also been shown, on more than one occasion, that Mr. S. D. Dakin and Mr. A. G. Benson were also parties to the same confederacy. The latter named gentleman was appointed by the President to supersede my house in the agency, but the action of the Senate defeated the object.

In regard to Mr. S. D. Dakin, to whom Mr. Gould alleges that the undersigned has "falsely attributed" statements as coming from him, a brief exposition will show the light in which he should be held by all honorable men. In a letter addressed to the Chairman of the Naval Committee of the Senate, under date of the 11th ultimo, he remarks—"I do not claim any credit for the development resulting from his (Gould's) investigation of the very unfavorable terms of the contract for the interests of the Government." It thus appears that it was left for the sagacity of Mr. Gould and Mr. Dakin to discover what had escaped entirely the attention of Mr. Woodbury, who made the contract, and Messrs. Dickerson, Paulding, Badger and Upshur, who successively carried out its provisions.

In the same letter, Mr. Dakin says: "All I desire is to have the facts known, that I have almost literally had nothing whatever to do with the affair, and I am greatly surprised to hear a that I was supposed to have had any agency in it whatever."

The undersigned most respectfully solicits the attention of your honorable body to the subjoined letter, going, with rushing and overwhelming proof, to condemn the veracity of Mr. Dakin, and establish, irrefutably, his blackened guilt.

The original of the following letter, in the handwriting of Mr. S. D. Dakin, addressed to one holding an important station, the undersigned has now in his possession:

BROWN'S HOTEL, May 23, 1844.

Dear Sir—Permit me to introduce to you the bearer, Major Allen, the accountant who was appointed by the President or Navy Department (I don't know which) to examine and report upon the accounts of Messrs. Fitch, Brothers & Co. He will give any information in his power on the subject. If he is accurate in his statement, as I believe he is, Messrs. F. & Co. have held constantly an average of about $200,000 of public money in their hands for several years past. They are not to be blamed for receiving all that is sent to them by the Government, it is true; but so large sums would hardly have been kept in their hands so long, and so regularly, without *some understanding* in some quarter. If the statement is inaccurate, then, of course, there was no reason to suppose that score, for changing the agency. I never heard that they had been charged *as defaulters*.

Truly yours, S. D. DAKIN.

To the imputations cast on others in this letter, as well as the intimate connection this letter shows to have existed between Mr. Dakin and Mr. Allen, who made out one of the false accounts against Fitch, Brothers & Co. the undersigned forbears comment.

The undersigned most respectfully asks such action of your honorable body as they, in their wisdom, may deem meet to the case, in the due execution of justice.

WASHINGTON, D. C. March 3, 1845. A. FITCH.

WASHINGTON, February 28, 1845.

Sir: In conformity with the request contained in a note of yesterday's date, that I had the honor to receive from the Hon. James A. Pearce, I address to you a "statement of the connection which I had with the examination of the accounts of Messrs. Fitch, Brothers & Co. and by whose direction I made the examination; together with such knowledge as I may possess in relation to the matter."

I have before me a synopsis of the contents of a letter addressed to your committee, under date of 11th February, 1845, by Mr. S. D. Dakin, the statements in which impeach the correctness of a report which I had the honor to make to the honorable the Secretary of the Navy, dated 9th January, 1843.

In noticing the inaccuracies (to give them no harsher name) in that communication, I will embrace all the information desired by Mr. Pearce.

Inasmuch as my connexion with these affairs was purely official, I am glad that an opportunity is afforded me to vindicate my action in the matter.

The points in Mr. Dakin's letter to which I will direct my attention, are as follows:

"1st. He says that he never desired and never applied for the office of navy agent at Marseilles.

"2d. He denies that he made out the statement of the accounts of the Messrs. Fitch, (upon which the investigation was based;) that it was made out by a Mr. Charles Gould, who assumed it in a letter to the Hon. J. W. Huntington last spring.

"3d. That all that he had to do with the statement was, simply at the request of Mr. Gould, to call on Mr. Winder, (who had reported that there was no foundation for it,) with a copy of it, to ask him to review it.

"4th. That the examination of Messrs. Allen and Baker proved that the average amount of advances in the hands of Messrs. Fitch was $183,000 for about ten years—a result more unfavorable to the Government even than that presented by the statement.

"5th. That Mr. Winder's report, of about $1,100 interest, is fully disproved by the subsequent examination of Messrs. Allen and Baker, which shows that the advances were, on an average, $183,000; that the balance of interest, therefore, for five years, enjoyed by the house, was about $35,000; and that, therefore, the only agency I had in the matter (to wit: calling on Mr. Winder to review his examination) is proved to have been necessary for eliciting the truth.

"6th. I do not claim any credit for developments resulting from this investigation, &c.

The case points embrace all that I know of this letter. I will remark, that as I did not in my report make any of the allegations denied in the first, second, and third points, it would not be necessary for me to notice them, if they had not an important collateral bearing upon the rest. It will be remarked, throughout Mr. Dakin's letter, that there is displayed a nervous anxiety to make good the assertions contained in the statement, which he is *now* so desirous to repudiate. I am strongly inclined to believe, that, when I have done with his letter, his disinterested generosity in so modestly disclaiming all "credit" for the results will be very apparent.

I will briefly dispose of the three first points in the narrative of my connexion with the examination of the accounts of Messrs. Fitch.

Early in December, 1842, I came to Washington to reside, and was appointed to a Clerkship in the Navy Department. Some short time after I had been there, I was informed by Secretary Upshur that it was the desire of the President that I should make a thorough examination of the accounts of Messrs. Fitch, Brothers & Co., United States Navy Agents at Marseilles. He said that a statement had been handed to the President, involving serious allegations against that house, in its capacity as Navy Agents; that the same statement had been before placed in the hands of the President, and that the Fourth Auditor had been ordered to make an examination, whose report upon it had entirely satisfied his (Mr. Upshur's) mind, that there was no ground for the allegations against the Navy Agents, and had he hoped and believed that the President was satisfied; but, after the lapse of some time, the charges were reiterated by the same persons, and the President was desirous that some one not connected with the Auditor's office should make the examination. I was selected, and he stated that the result of my examination would be relied upon by the President, and would finally dispose of the question. He further stated, that the statement upon which the examination was to be based was in the hands of the President, and would be sent over to me.

Some days after, (it might have been the next,) Mr. S. D. Dakin, accompanied by a Mr. A. G. Benson, came into my office; and after Mr. Benson had expressed his gratification that I had been selected to make the examination, Mr. Dakin produced the statement, and told me that *he* had made it, and regretted that it was not more full, but assigned as a reason why it was not so, that he had only a limited access to the papers. It was intimated, in the same interview, that Mr. Dakin was the aspirant to the agency. That Judge Upshur was also under that belief, is sufficiently manifest from the endorsement he made on the Auditor's report, (see p. 28, Senate Doc. 392.) In that endorsement, he necessarily refers to the person who made the statement, and he never doubted that it was Mr. Dakin's.

I do not mean to say that Mr. Dakin's assertion *now*—that Mr. Gould is the author of the statement—is not true; but I do assert that, if it be so, he did not state the truth when he presented it to me. Nor is it at all important, whether Mr. Gould made it or not. Mr. Dakin "assumed" it, when he presented it to the President, and by every principle of Justice is responsible for its contents.

It is not a little remarkable, that, in the whole course of this matter, Mr. Gould is never known or seen by any one; nor is he even heard of, until a late period, and then only by the "assumption" (vide Mr. Dakin's words) of the statement in a letter to the Hon. J. W. Huntington—a letter, if I am correctly informed, that gentleman has little or no recollection of.

I think the Committee, therefore, will judge it right and proper that Mr. Dakin should be responsible for that statement, and is fully and fairly entitled to all the "credit" resulting from the developments of the examination which it produced.

I ought to have stated before, that Mr. Russell's letter (p. 62, Senate Doc. 392) proves clearly the presentation to me of the statement.

These are the circumstances under which I made the examination; and on the 9th of January, 1843, I handed my report to the Secretary, (see Senate Doc. 392, p. 24.)

I come now to the assertions in Mr. Dakin's letter, denying the correctness of the deductions in my report; and, for the sake of clearness, I will state them again. I refer, first, to the one contained under point No. 4.—

"That the examination of Messrs. Allen and Baker proves that the average amount of advances in the hands of Messrs. Fitch was $183,000 for about ten years—a result more unfavorable to the Government even than that presented by the statement."

With regard to Mr. Allen's statement, it is not at all necessary to refer to it. His recantation on page 24, Senate Doc. 392, shows it to be utterly unworthy of confidence; besides, if I am correctly informed, he told a Senator, who expressed his astonishment that a mistake, such as referred to in his recantation, could have been made, "that he made the report as he had been ordered to do." Whether this be so or not, the report itself, together with its adjunct, the recantation, fully justifies the Committee in totally disregarding it.

But how does Mr. Dakin's assertion tally with Mr. Baker's report? On page 35, (at the bottom,) Senate document 392, Mr. Baker says: "From the above statement, and a reference to the accounts accompanying this report, it will be perceived that the houses of Messrs. Fitch, Brothers & Co. have rarely had in their possession for six months at a time the amount stipulated for in their contract, as changed by Mr. Dickerson, in 1841, and frequently they have had much less than the amount stipulated for in the contract."

Such is Mr. Baker's testimony on this point. Not one syllable about "about ten years." The assertion, with which Mr. Dakin makes an assertion to a Committee of Congress, which is so gross, and so easily detected, may well cast doubt over his whole statement.

His next assertion, under point five, is in the following words:—

"That Mr. Winder's report, of about $1,100 interest, is fully disapproved by the subsequent examination of Messrs. Allen and Baker, which show that the advances were, on an average, $183,000, and that the balance therefore for five years enjoyed by the house was about $35,000; and that therefore the only agency I had in the matter (to wit: calling on Mr. Winder to review his examination) is proved to have been necessary for eliciting the truth."

I refer again to Mr. Baker's Report, to which Mr. Dakin appeals to sustain this assertion. Now, let us see what Mr. Baker says on this point. (See pp. 35 and 37, Senate Document 392,) where he says:

"I have not deemed it necessary to prepare an interest account in the business transactions between the Navy Department and the house of Messrs. Fitch, Brothers & Co. I have, however, paid *great attention* to that subject in the course of my investigation; and upon assuming that the Government, in accordance with its agreement with Fitch, Brothers & Co. was to be in advance $50,000 per quarter to the 15th of November, 1834, and $100,000 semi-annually since that time, *I have no hesitation in declaring that the balance of interest is in favor of Messrs. Fitch, Brothers & Co.*"

I beg the Committee to bear in mind that Mr. Baker's Report embraces a period of about ten years, while mine goes over only five antecedent, and including three quarters of 1842. The statement upon which the investigation was based embraced three years. The Secretary thought it was sufficient to embrace a year previous and a year after that period, to ascertain fully the truth of its allegations. Hence the difference between Mr. Baker and myself. I made the balance of interest about $183,000 against the Messrs. Fitch.

Now, the quotations I have made from Mr. Baker's Report prove, most conclusively, that Mr. Dakin's assertion that the advances were, on an average, $183,000 for ten years, is wholly unfounded; and that his deduction, therefore, that they enjoyed about $35,000 interest for five years, is false. But his appeal to Mr. Baker fails further; for, instead of their deriving any benefit in the shape of interest at all, and instead of the advances being $183,000, they were, in the long run, so far short of the amount stipulated for in the contract, that Mr. Baker "has no hesitation in declaring that the balance of interest is in favor of Messrs. Fitch, Brothers & Co."

There is another fact in Mr. Baker's Report, to which I beg to call the attention of the Committee.

"He says, (page 37, Senate Document 392:)—"It appears from a communication made to the President, dated 27th February, 1843, by Mr. S. D. Dakin, that Messrs. Fitch, Brothers & Co. made a charge to the Government of $37,471 15 for extra commissions." "This charge," says Mr. Baker, "is unfounded."

This is an important fact. This letter of Mr. Dakin is dated on the very day Mr. Allen's report was handed to the President, and, if the Committee will examine it, they will find the letter has never seen the light since Mr. Baker sent it back—I cannot, therefore, speak as to the rest. What a strange solicitude has Mr. Dakin displayed to sustain Mr. Gould's statement, with which he says "he had almost literally had nothing to do, and is surprised that it should be supposed he had any agency in the matter." Who, let me ask, *had* any agency in the matter? Who presented it? Mr. S. D. Dakin. Who was prominent on all occasions when this new regulated offspring showed its head above the turbid stream of intrigue, and was dragged in public view by the Senate? Who, then, and *not till then*, did it find a new father, and its legitimacy was "assumed?" It might found a father only to breathe in his arms its expiring breath.

Such as I have stated it, and as the Committee will find it to be, is the testimony of Mr. Baker, appealed to by Mr. S. D. Dakin to sustain the statements contained in his letter to the Committee of the 11th February, 1845. After all, I don't see why Mr. Dakin should be so sensitive about the paternity of the statement, so that it were to its twin brother.

The Committee cannot fail to see that the report of Mr. Baker does not afford the slightest foundation for Mr. Dakin's allegations; on the contrary, had Mr. Baker been called upon to make an examination into these specific assertions, he could not possibly have given them a more pointed and explicit contradiction.

The only desire I have in this matter is, to sustain my official action, and to shield it from unjust imputations. Up to the time that I made my Report, and for ten or twelve days after, I never had person Mr. Fitch, or any one connected with him or his house. Some time after I had made my Report, a gentleman came into my room at the Navy Department with an order from the Secretary to me to furnish him with a copy of it. He announced himself as Mr. Fitch; this was the first time I had ever seen the man.

With regard to the conduct of the Executive in his case, I have nothing to do; it is not my province to speak of it. My object is merely to satisfy the Committee that I have correctly performed my official duty; and that I think I have accomplished.

There have been no less than four Reports made upon this subject—First by the Fourth Auditor; then by myself, by order of Secretary Upshur; after that by Mr. Allen, by order of Mr. Henshaw; and, lastly, Mr. Baker, by order of Secretary Mason. Three of these Reports confirm each other, to wit:—the Auditor's, Mr. Baker's, and mine. If Mr. Allen's came before the Committee perfectly free of taint, and under circumstances of the most favorable construction possible, it would be entitled to no regard, overborne as it is by the concurrent Reports of three others, who are, individually, entitled to at least as much weight as Mr. Allen. But I contend that his Report ought to be regarded with something more than suspicion. That an item, a trifling, of $100,000, in an account current, should escape the attention of an examining accountant, is indeed passing strange, and inexplicable, unless it be true "that he made the Report as he was ordered."

I have thus stated, as briefly as I could, the connection I had with the examination of Messrs. Fitch, Brothers & Co.'s accounts. I now ask the Committee to do me the justice to spread the letter in their report, and that Mr. Dakin's may be placed in juxtaposition. I court strict and impartial justice between Mr. Dakin and myself. If he be right, it is but just and proper that it should appear; and I only claim the same measure of justice for myself.

Whether Mr. Dakin, to use his own language, is entitled to any "credit for the developments resulting from this investigation of the unfavorable terms of the contract to the interests of the Government;" whether he has shown that "he had almost literally nothing to do with the affair;" and whether he has any reason to be "surprised to learn that it was supposed that he had any agency whatever in the matter"—it will not be difficult for him who reads to decide.

I have the honor to be, very respectfully,

Your obedient servant,

CH. H. WINDER.

Hon. R. H. BAYARD, Chairman Committee on Naval Affairs, Senate U. S.

WASHINGTON, March 1, 1845.

Sir: In compliance with the request of the Hon. Mr. Pearce, I herewith furnish you with some information in relation to my examination of the account existing between the Navy Department and Fitch, Brothers & Co., formerly United States Navy Agents at Marseilles.

In consequence of an alleged discrepancy in the state of the accounts, they were, in March last, superseded in their agency, and subsequently another was appointed in their place. A short time after the appointment of the Hon. John Y. Mason as Secretary of the Navy, he directed me to make an examination of the account, and report to him; at the same time he placed in my hands the papers relating to the business transactions between the Department and the Marseilles agency, consisting of the following: an agreement between the Navy Department and Fitch, Brothers & Co., dated 7th December, 1833—appended to the agreement was the certificate of the United States District Judge of the Southern District of New-York, also an endorsement of the Secretary of the Navy (Mr. Dickerson) on the agreement; (see Senate Doc. 392, pp. 2, 3, 4, 1st session 28th Cong.;) a letter from President Jackson in relation to the Mediterranean squadron, (p. 4;) a bond of Fitch, Brothers & Co., and certificate of the United States Attorney for the District of Connecticut, (pp. 4, 5;) two letters from the Secretary of the Navy (Mr. Henshaw) to S. A. Allen, Esq., (pages 11 and 12;) the report and statement of Mr. Allen in relation to Fitch, Brothers & Co.'s account with the Navy Department, (pages 12 to 23;) the report of C. H. Winder, Esq., upon the same subject, (pages 24, 25 and 26;) a statement of sums advanced to and payments made by Fitch, Brothers & Co. from June, 1838, to November 24, 1841, inclusive, (pages 27 and 28,) with an endorsement of Secretary Upshur thereon; a reconciling statement of Fitch, Brothers & Co.'s account, prepared by the Fourth Auditor, (page 33;) a statement of Fitch, Brothers & Co.'s account, attributed to Mr. S. D. Dakin, (pages 62, 63, 64;) a letter addressed by Mr. Dakin to the President, on the 27th February, 1844, in relation to the account, which does not appear in the Senate document before referred to. Afterwards I obtained from the Fourth Auditor the vouchers in relation to the business transaction between the Navy Department and the agency; and from the Secretary of the Navy an account current and interest account, sent to him by A. Fitch Esq.

From the above-mentioned papers I made a report and a statement of the account, from the commencement of the agency to the 2d November, 1843, inclusive.

When the Secretary of the Navy placed the papers relating to the agency in my hands, he desired me to construe the meaning and intention of the contract as I understood it. In my examination of the contract, I followed his directions, and came to the conclusion that, prior to the 15th November, 1834, the Department was to be in advance to the agency $50,000 per quarter; and from the 15th November, 1834, it was to be in advance $100,000 semi-annually. Upon this my notion made in the contract entered into by the respective parties upon the subject of *interest*. I therefore inferred that no interest was to be charged by either party; and in case a claim for interest was set up by either, it could only be considered in the light of an *equitable* claim, and not by any means based upon the contract itself.

From the fact that Secretary Upshur allowed Fitch, Brothers & Co. $2,369 71 as extra premium for heavy advances made by them in the early stage of the agency, Mr. Allen inferred that the Department had the right to charge the agency interest upon the sums advanced to it by the Department. The inference deduced by Mr. Allen is, in my judgement, perfectly correct. If, however, interest were properly chargeable, Mr. Allen and myself differ in regard to the advances made F., B. & Co.) very materially as to the time when it should commence. He assumed fifteen days after the deposit was made in New-York. I considered that it should not properly commence until three months after the deposit was made, to the 15th November, 1834, (when the nature of the advances was changed to $100,000 semi-annually;) and that, from the 15th November, 1834, interest would not be properly chargeable until six months after the deposit was made in New-York. If Mr. Allen's construction of the contract be deemed correct, the balance of interest is in favor of the Department; if my construction of the contract be deemed correct, then the balance of interest is in favor of F., B. & Co. But as the contract did not, in my judgement, contemplate the payment of interest by either party, I considered it unnecessary for me to inform the Secretary of the Navy with a statement upon that subject.

As Mr. Allen's statement and my own differ so much in regard to the amount of Government money in F., B. & Co.'s hands, I will endeavor to explain the reason of the difference. It will be perceived, by the foot-notes to the statement of the account prepared by him, that he divides the whole into five parts, terminating, respectively, August 19, 1836, July 15, 1837, June 13, 1838, August 1, 1842, and January 6, 1843. He says (page 13:) "Balance due the United States, August 19, 1836, $225,666 74." He then proceeds to the account prepared by him,) it will be perceived that $140,000 of that sum was advanced to the agency on the 15th *August*, 1836, and consequently was not, according to contract, due until 15th February, 1837. Besides, $13,500 was paid by F., B. & Co. before the 19th August, 1836, independent of the other credits allowed by him in his account No. 1.

He says, again, (same page:) "Balance due the United States, July 15, 1837, $219,572 62." It will be perceived, upon referring to his account, Nos. 2 and 3, that before the 15th July, 1837, Fitch, Brothers & Co. had received more than the sums which Mr. Allen places to their credit in his account No. 2.

He says, again, (same page:) Balance due the United States August 1, 1842, $203,535 93." Of this sum it will be perceived that $180,000 was advanced to the Agency *on the 1st August*, 1842, and consequently not due for six months thereafter; and, moreover, F., B. & Co. paid, besides the credits allowed by Mr. Allen, his account No. 4, $35,362 before the 1st August, 1842. Mr. Allen's mode of stating the average amount of Government money in F., B. & Co.'s hands differs so materially from my own, that I refer you to page 35, (Senate document before referred to,) where you can at a glance discover the state of the account for every year, from the commencement of the agency until November, 1843.

From all the consideration and attention which I have paid to the subject, I do not suppose the average amount of money in Fitch & Co.'s hands exceeded $50,000; upon that subject, I refer you particularly to page 35, above referred to.

The amount of Government money on account which has been attributed to Mr. Dakin differs so materially from every other statement made, that there is no room to doubt of its incorrectness.

I am not aware of the fact that *that* statement was actually *prepared* by Mr. Dakin. It was, however, in his handwriting, if a remarkable resemblance between the handwriting of that statement and the handwriting of the letter which he addressed to the President in February, 1844, (in relation to the account,) can be considered any evidence of the fact.

In conclusion, I beg leave to say that, in examining the account of Fitch, Brothers & Co. with the Department, I had no interest in the opinions of others who examined the account before the papers were placed in my hands, except an opinion of the Fourth Auditor in relation to the subject of interest, as connected with the disbursing agents of the Government, which opinion has been embodied in my report. I had no communication with Mr. Fitch—indeed did not see him until some time after I presented my report to the Secretary.

I have the honor to be your obedient servant,

SAMUEL D. BAKER.

Hon. R. H. BAYARD, Chairman Committee on Naval Affairs, U. S. Senate.

SENATE CHAMBER, March 3, 1845.

Sir: Your letter of the 1st instant, in relation to your agency in the examination of the accounts of the house of Fitch, Brothers & Co. as Navy Agents at Marseilles, has been received.

In order that the whole subject may be before the Committee, I have to request that you will communicate to me a copy or a statement of the contents of the letter from S. D. Dakin, Esq. to the President of the United States, dated February 27, 1844, and the accompanying documents ordered by the Senate to be printed at their last session.

Very respectfully, &c.

RICHARD H. BAYARD, Chairman, &c.

SAMUEL D. BAKER, Esq. Washington.

WASHINGTON, March 3, 1845.

Sir: Yours of this day has been received; and agreeably to your request, as Chairman of the Committee on Naval Affairs, I herewith furnish you with what knowledge I possess in relation to the letter addressed by Mr. S. D. Dakin to the President on the 27th February, 1844, to which I alluded in my report to the Secretary of the Navy of the 29th April, 1844.

That letter was in my possession when I examined the account existing between the Navy Department and Fitch, Brothers & Co. United States Navy Agents at Marseilles. A few weeks after my examination of the account, I, from memory, wrote out the contents of the letter to the best of my recollection. It is from that which I now state.

It commences somewhat as follows:—"What I mentioned to your Excellency some two years since, (respecting Fitch & Co.'s accounts,) you will find fully substantiated after the examination of their account prepared by Mr. Allen." In another part of the letter he states: "They (Fitch, Brothers & Co.) have received, in commissions and balance of interest against them, something like $150,000—a sum amounting to nearly as much as the President of the United States receives from the Government for his services."

In another part of the letter he states: "The allegation that Fitch, Brothers & Co. made a charge to the Department of $34,187 22, for commissions, is not sustained by any thing that I can discover on the files of the Auditor's office." The above is a quotation from Mr. Winder's report to the Secretary of the Navy, (page 24, Doc. 392.) Then says—"I know Your Excellency will perceive that *that* charge is fully sustained *by the letter* by Mr. Allen's investigation of their (Fitch, Brothers & Co.) accounts." Mr. Dakin then makes another extract from Mr. Winder's report: "The only branch of contract on the part of the Government, was, constantly keeping the agents in funds to meet the public liabilities, owing either for want of funds, or a retard in the passage of appropriation laws by Congress. This cause operated from November, 1841, to August, 1842, during which time the agency seems to have met all the demands of the Government with punctuality and cheerfulness, and this, too in a time of great monetary distress."—Mr. Dakin, in commenting on the above quotation, uses something like the following language. "It will appear, from Mr. Allen's statement, that at the time above mentioned, (viz: from November, 1841, to August, 1842,) Fitch, Brothers & Co. had in their hands, of Government money, from $130,000 to $230,000; so that your Excellency will perceive that they (Fitch, Brothers & Co.) might well meet all the demands of the squadron with punctuality and cheerfulness, and that too in a time of great monetary pressure."

Mr. Winder, at the conclusion of his report, uses the following language: "The accuracy and regularity of the accounts reflect the highest credit upon the agency and the Fourth Auditor." Mr. Dakin, in commenting on the above sentence, says: "The accounts does not reflect credit upon either, nor upon Mr. Winder himself."

I have thus given you, to the best of my knowledge, the purport of the letter from Mr. Dakin to the President, of the 27th February, 1844, in relation to the Marseilles agency.

I have the honor to be your obedient servant,

SAMUEL D. BAKER.

Hon. R. H. BAYARD, Chairman Committee on Naval Affairs, U. S. Senate.

WASHINGTON, February 11, 1845.

Dear Sir: Having just seen a memorial, signed by a Mr. Asa Fitch, in which he makes several gross misstatements in regard to me, I take the liberty of addressing you briefly, to state—

1st. That *I never desired and never applied for* the office of naval agent at Marseilles, which he held.

2d. That *I did not* make out the statement of his account, about which he complains; but that it was made out by Charles Gould, Esq. of New-York, a highly respectable banker, son of the late eminent jurist, Judge Gould, of Connecticut, whose assumption of it has been made in a letter to the Hon. J. W. Huntington, of the Senate, written last spring, to whom I refer for the truth of this assertion. All I ever had to do with the statement was simply, at the request of that gentleman, to call on Mr. Winder, who had reported that there was no sort of foundation for it, with a copy of it, to ask him to review it.

3d. Even if I had made out the the statement, or vouched for it, (neither of which I did, for I knew nothing about the subject personally,) I would call your attention to the fact, that the statement in question did not affect the *credit* of the house of Mr. Fitch in any way whatever, but merely showed that his method of doing business was disadvantageous to the Government; that the only error it contained was as to the *amount* of Government money in the hands of the house, making it out to be some $100,000 for three years, whereas the examinations made by Messrs. Allen and Baker prove it was an average of $183,000 for about ten years—a result even more unfavorable to the interests of the Government than that presented by the statement; that the report of Mr. Winder, stating that the house did not hold any considerable advances of public money, and the balance of interest for such advances for five years, to be only about $1,100, is fully disproved by the subsequent examinations both of Mr. Allen and Mr. Baker, which show that these advances were on an average constantly about $183,000, and the balance of interest thereby for said five years enjoyed by the house was about $35,000; and that therefore the only agency I ever had in the matter (to wit: calling on Mr. Winder to review his examination) is proved to have been necessary for eliciting the truth.

I know nothing of Mr. Fitch or his concerns. I do not claim any credit for the development, resulting from this investigation, of the very unfavorable terms of his contract to the interests of the Government at the present day, when communication is so rapid across the Atlantic. All I desire is, to have the fact known that I have almost literally had nothing whatever to do with the affair; and I am greatly surprised to learn that I was supposed to have had any agency in it whatever. Mr. Fitch has been misled by the trivial circumstance above alluded to; at least, I will be charitable enough *not* to impute to him any unworthy motives, although *I have* interests liable to be affected *by prejudice, and affording a tempting mark for a vindictive and unscrupulous resentment.*

I rely on you, my dear sir, to set this matter right before the committee and the Senate, so far as I am concerned.

And I am, most respectfully, your obedient servant,

S. D. DAKIN.

Hon. R. H. BAYARD, *Chairman, &c.*

[Endorsement by the Chairman of the Committee on Naval Affairs, U. S. Senate.]

"S. Dakin, Feb. 11, 1845—In relation to Fitch's memorial, denying that he had any thing to do with the account."

WASHINGTON, *February* 10, 1845.

Sir: A memorial, presented to the Senate some days since, on behalf of my house at Marseilles, and signed by me, was referred to the honorable Committee on Naval Affairs, of which you are the chairman.

I trust that I have, by the facts contained in that memorial, succeeded in satisfying every one, that while my house, on all occasions, acted the part of true and faithful agents, and manifested the greatest zeal and fidelity in behalf of the Government and the public service, their feelings have been most wantonly outraged, their character aspersed, and their credit most cruelly assailed, by those who were laboring to supplant them in the agency they held, under the sanction of high authority, and aided with the exercise of extraordinary and peculiar privileges.

Under these circumstances, I have been left no other mode but to make application to the honorable Senate of the United States for *justice*; though promised, yet withheld in another quarter.

It is true, as I state in the memorial to the honorable Senate, that I have withheld, of the funds in the hands of my house, the sum of about $14,000, to reimburse us for balance of interest due for moneys advanced at various times for the account of the Government, to meet the exigencies and to accelerate the operations of the public ships in the Mediterranean. Yet when it shall have been decided by a judicial tribunal, of which I do not entertain a doubt it will be, that we are in justice as well as in equity entitled to it, that will be no compensation, and will accomplish but little towards redressing the injuries experienced and the wrongs inflicted on the character, standing and reputation of my house, by the course of measures authorized and adopted, of which we complain.

Money, under the circumstances, is of no consideration with us. That will not heal yet bleeding feelings, remove suspicions that may have been cast on credit, nor afford satisfaction for the many injuries that were caused by the proceedings referred to.

We want but justice—we solicit nothing more. We ask to be reinstated in the agency from which we were so unjustly and unfeelingly ejected. In asking this gratification, we do, first, beseech you to consider, that it is our identity which we have a just right to claim for services rendered; and, secondly, while with all proper modesty and diffidence I make the assevération, that if the public interest should not be promoted, it will in no manner be impaired by such act of restoration.

It has been shown, officially, that prior to the contract made with my house to perform the duties of receiving the money in this country, and paying it over to the squadrons in Marseilles as wanted, for a premium of 1 per cent, the expenses attending the supplying of the funds wanted there amounted to more than 2½ per cent. In an experiment, recently made, in the belief and expectation, as I have understood, of providing funds at a less cost to the Government than the previous point to get it, specie was sent from this country, on board the frigate Cumberland and sloop of war Plymouth, the actual expense and loss, in exchanging it for such coin as was current in the Mediterranean, were from 6 to 8 per cent. These facts present pretty strong, and I should think, conclusive evidence, that pecuniary considerations can weigh but lightly with us in being desirous of being restored to the agency in question. Nor can the gain accruing from extending the hospitalities of our private dwellings to the officers of the navy, whenever they visit Marseilles, and keeping our doors