DAILY APPEAL.

ALL LETTERS ENCLOSING MONEY SHOULD BE REGISTERED, ATTENTION TO THE OFFICE MUST BE REGISTERED, ATTENTION TO THE PROPRIETORS WILL NOT HOLD THEMSELVES RESPONSIBLE FOR ANY LOSSES THAT MAY OCCUR.

THE APPEAL IS REGULARLY DISCONTINUED AT THE END OF THE TIME PAID FOR, UNLESS RENEWED IN ADVANCE.

MEMPHIS.

THURSDAY MORNING, OCTOBER 22, 1857.

SOUND AND PRACTICAL VIEWS.

The following views emanate from the pen of one of our most practical and substantial citizens and will challenge the approval of every sound thinker in our community. They are stated with a clearness and force which carry conviction to the mind, and they serve the eminently practical purpose of clearing the mist from the public mind relative to the all-absorbing question of moving to market the produce of the country. It is clear that ultimate relief must come (if it come at all) from the purchasers of our produce in England and on the continent of Europe, and to the effect upon that market of the financial embarrassments in the United States, we must all look with the deepest interest, as to the point from which the whole riddle must seek solution.

Consequences of Suspension.

For the Memphis Appeal.]

A current opinion with superficial thinkers here has been, that suspension by the Tennessee banks was necessary in order "to move the crop"—that as things stood, the banks could lend no money, and the merchants could consequently, buy no cotton, and of course, the farmer and planter sell none—that suspension would enable the banks to loan, and thus "set the ball in motion" which would roll on the crop from the hands of the growers to the ultimate market of sale. This was plausible enough to those who are unable to see beyond their own nose; who discover no influences on the movement and price of cotton outside of our own local market. And the notion of these superficial talkers would have some little grain of sense in it, if the difficulties which have brought the sale of cotton here to a dead lock, were local in their origin and extent.

But the movement and price of cotton are governed by influences extending through a long line of agencies, beginning at the point of production of the raw cotton and ending at the points of consumption of the fabrics into which the cotton is wrought. If for any cause—such as the high prices of provisions or other unusual demand for money—the sales or consumptions of the cotton fabrics be diminished, the influence of that cause specifically produces its effect on the price of the raw cotton, at the other end of the line, the point of production. And neither the paying of specie or the suspension of specie payments by the banks, is going to excite any great or continued influence on the movement or price of cotton at the point or market where it is produced. Obstacles or difficulties at any point along the line, can only effect the movement and prices, more or less according to the magnitude of the obstacle and the importance of the point at which it occurs. Now, the central point at which exists the obstacle that arrests and subdues the movement and price of cotton at the present time, is New York, considering that city as the central point on which has fallen the effect of the fiscal disasters pervading the North. In consequence of the excessive scarcity of money at New York and the general arrest of trade of all kinds there, together with the panic prevailing there, which of itself alone is enough to bring business to a dead halt, so it is that those concerned there directly and indirectly in the cotton trade, are unable to furnish to the dealers in New Orleans the means with which to purchase the cotton at the latter place. And as the trade in cotton at New Orleans is thus stopped, so those who deal in cotton there are unable to furnish to Memphis operators in the article, the means of buying it here. And so we reach the dead lock here.

Our banks, therefore, can do very little toward putting the crop in motion towards the ultimate purchaser, whether they suspend or maintain specie payments. Suspended or active, the banks at Memphis cannot loan their currency to the cotton purchaser, but for good bills or acceptances on New Orleans—and the New Orleans operators cannot allow such bills or acceptances to be drawn on them, unless they in turn or those with whom they deal (the Northern and European purchasers) can furnish good bills or acceptances on New York and Europe and other lesser cities at the North. At the present time, in consequence of the financial distress at the North, there are no funds in New York to be had for the New Orleans cotton trade, no good bills or acceptances on New York are off red or obtainable at New Orleans, and hence no means at New Orleans to be had for the cotton trade with Memphis.

And the prospect is certainly rather dull as to any very speedy change. When New York can move, so can New Orleans and so can Memphis. But New York, and Liverpool, and London are likely to feel the influence severely, and set in motion an injurious reflex action upon New York. The largest customer and debtor of England, is the United States. As the mortgage of the payment of the debts owing by the West and South, to New York and the North, is one of the chief and subsidiary causes of the financial distress there; so the failure of New York and the North to pay the debts owing to England, must produce a great financial distress there; and of consequence a corresponding dullness in trade, panic of all persons engaged in trade, inability and fear to buy our cotton, and of course a great fall in price. The circle there turns, and the financial current runs back upon us, and with the fall there, down go prices in New York, New Orleans, Memphis, and in the remotest spot where cotton is made and sold. Thus far, the British market does not appear to have felt the influence of the monetary crisis in New York upon the price of cotton. And it is barely possible, the price may not be sensibly affected in the European markets by our American troubles. In such event, the price will soon maintain itself here up to the standard of prices in Liverpool; and this whether our banks remain in or take themselves out of suspension.

It is very clear, then, that the suspension of our banks, is going to exert little influence upon the price and movement of the cotton crop. If Liverpool and Manchester, and New York and Boston, and New Orleans, were able or become able to engage actively in the cotton trade; in ten days, nay in one day, the trade will become active hence, suspension or no suspension. And you might clean every bank off from the surface of Tennessee, and in twenty days after the cotton trade at Memphis would be as brisk as ever, if the trade be active and brisk at New Orleans and New York and Liverpool, and the prices would not be varied the bread b of a hair, by the absence of the banks. Certainly the mode of conducting this trade would be changed. Now, the buyer at Memphis pays for the cotton in the bank notes which he gets from the banks for bills or acceptances on New Orleans, and the New Orleans buyer pays for the cotton there in the bank notes (or checks) which he gets for bills or acceptances on New York, Boston and Europe. Abate our banks, and the funds would as certainly come from New Orleans, and the North and Europe, in some other shape, to buy our cotton, as the waters of the earth to seek their level or as the wants of men to seek to be satisfied. In Texas, Arkansas, and some portions of Mississippi, where banks furnish little or no aid in the selling of cotton, the grower gets the market price of New Orleans, as certainly as he does in Memphis, and he gets it largely in gold.

By this course of reasoning, it is not meant to maintain that it is desirable to abolish our banks. Very far from it. The present system of conducting the trade in cotton by the agency of the banks, is very convenient, full, and to the purpose well, probably has been much instrumental in establishing and maintaining here an excellent cotton market for the grower. It is wise to let well enough alone. But it is wise to let well enough alone. But it is ill-designed to show, that the trade is quite practicable without banks, and it is very certain that it is better to abolish them than to endure the evils of a long suspension and of a deteriorated currency.

List of Suspended Banks.

IN GEORGIA.

Georgia Railroad and Banking Company, at Augusta.
Union Bank, at Augusta.
The Branch of the State Bank, at Augusta.
Manufacturers' Bank, at Macon.
All the Banks in Savannah.

SUSPENDED BANKS IN SOUTH CAROLINA.

Bank of the State of South Carolina, at Charleston, with branches at Columbia and Camden.
Bank of South Carolina, at Charleston.
Bank of Hamburg, at Hamburg.
Planters' and Mechanics' Bank, at Charleston.
People's Bank, at Charleston.
South-western Railroad Bank, at Charleston. This bank, we believe, has an agency at Tallahassee, Florida.
Exchange Bank, at Columbia.

BANKS IN CHARLESTON.—The Bank of Charleston, the Union bank, and the State bank have not suspended.

Shelby County Fair.

GRAND EQUESTRIAN SHOW. PREMIUMS TO THE LADIES.

ROUND DAY.

Yesterday morning dawned bright and beautiful, the sun shone with gentle warmth, from a sky dotted with light clouds. The day was cool but the ample Amphitheatre offered sufficient shelter and sun for comfort. The crowd was immense. Inquiries at the ticket office and a careful calculation show that during the day three thousand persons were on the ground. The proportion of ladies was very great, and none appeared to take a deeper interest in the proceedings than they. So great was the number of carriages and horsemen, that at the conclusion of the day a continued flow was kept up through the place of exit for half an hour or more.

NEW IMPLEMENTS.

Many new objects had been added to the exhibition since the previous day. A fine mill for grinding corn and cob together for feed was set to work and was much admired. It was placed on the ground by Mr. D. McCoss. The reaping machine, MANNEY's patent, was put in motion and received much attention as it passed over the main riding track. Not one of the implements, however, received or attracted more notice than the dog-power machine, it was never left without wondering admirers. A very handsomely finished sewing machine, WILSON's patent, was added to the department devoted to implements of female use. FELTON's mill, for grinding corn, with additional machinery for crushing cobs, was on the ground.

FEMININE MATTERS.

The ladies department was even more than on the former day, the great centre of attraction. Here "from early morn to dewy eve" was "a perfect jam." Indeed, to make another quotation, not from ADDISON, there was "a wreck of bustles and a crash of hoops," for whalebone itself was not proof against a squeezing that was as tight as the money market. It was a little ludicrous to behold the gentlemen who were mixed in the throng of silks and flounces, gazing at the fairy wonders of female ingenuity; they looked so completely puzzled. Wonders from needles, miracles from knitting pins, incredible effects in crochet work, labyrinths in patch work, and many other matters whose very names are the most mysterious things in the world, except their uses, are all inscrutable profundities to the masculines, who try to seem pleased with what so greatly delights the fair beings they are escorting, and yet are utterly unable to comprehend where the charm lies. They are like ALADDIN when enclosed in the subterranean cavern by the deceitful magician. The bay saw trees and the fruit upon them seemed to his untaught eye the most beautiful colored glass he had ever seen in his life—the bits of glass were diamonds and precious stones, such a man had never possessed. So the gentlemen can see only pretty glass where the ladies gaze on wondrous jewels. The ladies can afford to pity them, and no doubt they do so.

COL. POPE'S ADDRESS.

When the vast assemblage had seated themselves within the capacious Amphitheatre, Col. JNO. POPE proceeded to give the address which had been deferred from the previous day. The address was brief but pithy; ideas were presented rather than argued, the speaker appeared more desirous of awakening useful reflection than of amplifying sentences. The sketch we give presents a faint idea of the original. The speaker delivered the address extempore, consequently we could not procure a copy of it for verbatim insertion.

The speaker congratulated the audience on the advent of a second Shelby County Fair and especially upon the possession of so handsome a structure as the Amphitheatre in which they were assembled. That structure was a proof that in the great cause of internal improvement and progress Tennessee would never stand still. The ancient Athenians embellished their cities with gorgeous palaces and sublime temples, in perpetuation of the memories of their statesmen, patriots and heroes; but the objects and pursuits of our age bring less material, we dedicate our noblest edifices to the unobtrusive pursuits of agriculture. These edifices are not theatres where ambitious politicians exercise their arts and advance their schemes; they are places where useful information is communicated; centres from which radiate the enlightening rays of useful and practical knowledge.

The great moral instruction of such exhibitions as these was, that none could expect to arrive at eminence in human skill except by sound mental culture and by an intelligent pursuit of industry. Systematic is an intelligent pursuit of practical objects that RANDOLPH in allusion to the effects of well directed knowledge, said "I have found the philosopher's stone, the plow, the anvil and steam." Like the philosopher's stone, these turn all they touch into gold.

Land, learning and labor constitute the materials of farming; combine them and the most entire success is secured. The great obstacle to advancement in agricultural science has been that the men of science were too often unacquainted with practical agriculture. Ours is emphatically an agricultural country, and science is the guiding light of its progress. Science is continually making valuable suggestions to the agriculturist; the chemist, for instance, has analyzed the soil and made known the constituents of the air. The effective results of labor are attained most completely by the application of scientific knowledge, and it is economized and saved by the application of scientific knowledge to the mechanical arts.

Scientific discovery has opened a boundless area to human vision and accelerated in an incalculable degree the velocity of human progress. The States of New York and Massachusetts illustrate the importance of education as an instrument of progress. Education alone gives dignity to labor and by its instrumentality our country has reached an eminence no other nation has attained. Our inventive genius if really puzzling the brains of JOHN BULL JONATHAN at the World's Fair entered lists bold competition with the nations of the earth, the result showed how American genius could stand the test. JONATHAN can excel in everything except, perhaps, in making cross-eyed spectacles, or getting the man out of the moon. For our superiority we may thank the diffusion of scientific knowledge, by free education. In the words of PETER PARLEY, "Science is no longer the toy of the philosopher, but the servant of the shop and the kitchen." Indeed we have experienced the power of facts to make philosophers descend from visionary heights to the level of common sense, by bringing them to bear upon agricultural and other industry.

To the ladies is owing a large share of the attractiveness of this exhibition. Where in this building beauty displays its loveliness, grace its charm and art its power—here the fair hands of the ladies have been busily employed. We are proud, we exult in the specimens of their skill and the triumphant creations of their tasteful genius that adorn our exhibition. But while we admire the wonderful skill that is manifested in the products of the ingeniously direct ed needle, we must observe that in the estimation of all sensible men, no genius, no taste, no skill displayed by woman is superior to that displayed in the well made loaf, or the nicely cooked ham; in the manufactory of domestic cloth, carpeting, blankets and other objects. Such objects are included in the remark: Ladies, your handiwork ornaments and beautifies the Fair Grounds.

In conclusion, the speaker alluded to the financial difficulties at present existing; the was not the place to discuss the causes of those difficulties, but it might be boldly proclaimed that the deliverance from them must come from the recuperative energies of agriculture, and wealth and plenty would be ours again through the agencies of cotton and corn. The country's salvation from depression, consequent upon mercantile disaster, depended upon the producing classes, those who supplied the country with its food and the materials that constituted its wealth and formed the basis of its commercial greatness—and from those classes the country ought to select its legislators and the executors of its laws; where the bone and the sinew of the nation lay was the portion from which to choose the instruments of its governing power.

The speaker concluded his address amid the plaudits of the multitude.

BLOODED HORSES.

The first objects contending for prizes were aged stallions, of thorough breed. The owners of horses describing their animals as "thorough bred," were in all instances required to submit the pedigree of the animal named to the committee. These were four competitors for this prize. Dr. N. RAGLAN's "King of Diamonds" took the first premium; A. B. DOUGLASS' horse "Tom Hal," took the second premium. The other competitors were Messrs. W. P. STEWART and CHAS NELSON. Both the unsuccessful gentlemen are residents of Shelby county.

A first premium was awarded to F. W. ROVETER's horse "Mazeppa," which was the only animal competing for the prize for four year old stallions. Mr. ROVETER is a resident of Shelby county.

The third premium awarded was for two year old stallions. But two entries were made; they were made by residents of this county, Messrs. W. H. and A. P. LANE, and THEOPHILUS BLAND. Messrs. LANE's horse, "Diadem," took the first, and Mr. BLAND's "Bucephalus" the second premium.

The first premium for three year old stallions was awarded to J. H. MERIWETHER, of Arkansas, who was the only competitor.

C. L. DOUGLASS, of this county, was the only one who had entered a horse for the one year old stallion prize; it received the blue ribbon as a token that the first premium was adjudged to it.

The colt of W. J. GOLDSBY, of Big Creek in this county, "David Crockett," received the first premium, being the only entry for "best colt."

Five entries were made for the premium for the best aged mare, by Messrs. F. W. ROVETER, W. J. GOLDSBY, RICE BOND, JOEL W. ROVETER and T. BLAND. The first premium was taken by Mr. ROVETER's "Lady Peyton," the second by Mr. BLAND's "Kitty Fisher." Both gentlemen reside in this county.

THE LADIES' PREMIUMS.

After dinner the following premiums were announced:

Best cooked ham, with receipt for cooking and curing, Mrs. GEO. L. HOLMES.

Best specimen of pickled beef, cooked, Mrs. MILES OWEN.

Best specimen of starch, Mrs. GEO. HOLMES; of soap, J. P. PRESCOTT; of candy, Mrs. L. C. RUMBERT.

Best specimens of pound cake, Mrs. W. J. LITTLEJOHN; white cake, Mrs. HY. LAKE; fruit cake, to Mrs. MILES OWEN.

Best jar of pickles, Mrs. GEO. L. HOLMES.

Best loaf of light bread, Mrs. GEO. C. HOLMES.

Best jar of preserved peaches, Mrs. W. J. LITTLEJOHN; of pears, Mrs. G. L. HOLMES; of citrons Mrs. S. R. RUMBERT; of quinces, Mrs. M. A. REEVES; of fruit jelly, Mrs. G. C. HOLMES.

Best specimen of corn bread, Mrs. HENRY LAKE, of fresh fruit preserves in air tight cans, Mrs. W. J. LITTLEJOHN.

Best cured hams, Mrs. E. S. ELAM.

Best roasted turkey, Mrs. BISHOP OTEY.

Best specimen of landscape painting, Mrs. BETTY TREZEVANT KEIM.

Best ottoman cover, Mrs. WM. B. DONOHOE.

Embroidery, French work, Mrs. MILES OWEN.

Embroidered piece work, ottoman cover, Mrs GEO. L. HOLMES.

For best show of flowers, Mrs. JNO. POPE.

Best bouquet, Miss BETTY COX, a premium; Mrs. GEO. L. HOLMES, a certificate.

Best Herbarium, Mrs. WILEY B. MILLER.

GRAIN AND SEEDS.

The following awards were made by the judges to exhibitors of grain and seeds:

Best bushel of wheat, J. W. WARD; to Dr. B. BAGBY a certificate for the second best.

Best bushel of rye, to SETH WHEATLY the premium, to JOHN BOND a certificate.

Best bushel of corn, premium to SETH WHEATLY, certificate to JOHN BOND.

Best bushel of oats, premium to JOHN BOND.

Premium for sugar cane seed to JOHN BOND, certificate to Mr. THOMAS.

Premium for clover, J. S. CLAYTON; for millet, WM. STRONG; for herd's grass, JNO. BOND premium, ELI RAYNER, certificate.

EQUESTRIAN CONTEST.

Much interest was manifested in the contest for a silver cup and silver handled whip, to be awarded to the gentleman who should show the most skill as an equestrian. Fourteen gentlemen entered the ring. As they paraded round the circle in a body, to show the paces of their animals, loosing around the arena where the bright eyes of ladies regarded the equestrians, and listening to the thrilling strains of music, we were reminded of the ancient tournaments, and of the field of Ashby-de-la-zouch, decked as the narrative is in all the gorgeous imaginings of WALTER SCOTT; and the whole dazzling scene glanced before our fancy. After the parade in company, each gentleman rode twice round the ring alone, that the judges might have a good opportunity of deciding upon their relative excellence. The competitors were Messrs. RUFUS BAKER, W. C. BRYAN, WM. RUFFIN, ROBT. E. CAYCE, ARTHUR D. GIBSON, R. T. PATTERSON, JAMES H. EDMONDSON, W. J. WHITSETT, JNO. F. PAGE SAM'L RICHARDS, A. H. PILLOW, J. M. KELLY, GEO. SHALL, and G. M. LEWIS.

This spectacle excited the most vivid interest, as was evinced by repeated plaudits. One young gentleman was an especial "object of interest," owing to his peculiar style of equestrianism and the numerous feats he performed, which were beyond anything "set down in the bills"—he did not take the premiums, however. [illegible] on his merits, awarded them to Mr. JNO. PAGE, who was greeted with enthusiastic applause. This exhibition excited so much interest that it *will be repeated* this day, the prize being a piece of plate.

EXHIBITION TO-DAY.

To-day the show will be one that cannot be surpassed in interest; the very things everybody rushes to gaze at on entering the Fair grounds, will pass the scrutiny of the judges. The list of to-day includes the show of stallions, mares and colts; "garden sauce," comprehending potatoes, apples, peaches, pears, grapes, scuppernong, pie melon, &c. Baled, ginned and other cotton. Jack stock. One of the most pleasing departments in the whole exhibition is that allotted to farming implements. The premiums for these objects will be awarded to-day; the list includes wagons, yokes, plows, harrows, cultivators, scrapers, cradles, threshers, straw cutters, fans, corn crushers, corn shellers, cotton gins, &c. Also blooded cattle, bulls, cows, heifers and calves, hogs and fowls, will be examined by the Judges.

THE LADIES TO-DAY.

The premiums awarded to ladies occupy a very important part in the procee ings. Among the competing articles are woolen and cotton coverlets; silk and cotton patchwork quilts and counterpanes. Honey, butter and cheese. Jeans, hose and cotton goods. Rugs, wool and rag carpet.

The grand equestrian exhibition, as we have stated, will be repeated; also a splendid pitcher that cost seventy dollars at the Eastern manufactures will be awarded in the morning to the best gelding. To-morrow, the great feature will be a third repetition of the popular equestrian exhibition, but this time the riders will be in masquerade.

MISSISSIPPI NEWS.

GRENADA LOCOMOTIVE.—This paper having thrown off its neutrality, and become an advocate of Democratic principles and measures, Mr. F. A. DUVAL has found it consistent with his feelings to withdraw from it editorially, and also from the proprietorship of the paper.

VALLEY FARMER.—We observe that the location of this paper has been changed from Friar's Point, Coahoma county, to the town of Delta in the same county. Mr. SMOTHERS, the proprietor assigns the causes of his removal in the following card:

OUR REMOVE.—Our remove to Delta is from the fact that we could not do better at Friar's Point. If a landing should return at Friar's Point, and business again become briskly, and Delta should decrease in business, we assuredly will we return also. We sincerely believe that it is the best for us at present to go to Delta. We shall not locate permanently there, unless we think it the best policy. It may be the best for us to remain at Delta in the winter, and return to Friar's Point in the spring; if so, we will not hesitate to so doing. The distance between the two points being a small—only amounting to four or five miles, that no one at home, nor abroad, can complain at the remove.

The same paper says of the cotton crop in the Mississippi bottom:

THE COTTON CROP.—The cotton crop, from the information we gather from the planters generally in this region, is going to be much shorter than anticipated. The general opinion is that the yield will not go much beyond a half crop—that is, not much beyond the half of a good crop. The opinion in the summer was, that a late fall would guarantee a good crop. It is now thought that it will not—that it cannot.

CLERKSHIP OF THE LEGISLATURE.—Col. PICKETT, now of this city, having resigned the Clerkship of the House, the friends of Mr. THOS. A. FALCONER, of the Holly Spring *Herald*, have brought him forward for the position. It could not be conferred upon a more competent or worthy man.

SOUTH CAROLINA.—The general re-charter law of 1832 is well known to our readers immediately interested, and we need only reprint the fourth section:

"That in case of the failure of said bank, such stockholder, copartnership or body politic, having a share or shares in such bank at the time of such failure, or who shall have been interested therein at any time within twelve months previous to such failure, shall be liable, and held bound individually, for any sum not exceeding twice the amount of his or their share or shares."

NEW MAIL ARRANGEMENT.—The East Tennessee and Virginia Railroad Company have opened another section of their road West of Jonesborough, reaching the singing to 32 miles, and have closed up, by a new schedule, which is now in operation, all the delays between Memphis and Washington City, reducing the time between Memphis and Washington to three days and seven hours, between Nashville and Washington to three days, and between Dalton and Washington to two days and four hours.

BANKS OR NO BANKS.

For the Memphis Appeal.]

We are now in the midst of a general bank suspension. We will soon have general legislative action in regard to the banking system. Neither opportunity to abolish or correct the vices of the system has presented itself within the last twenty years. It behooves our public journals then to elicit discussion, and endeavor so to inform the public mind in regard to the subject as to secure wise and uniform legislative action.

What is our present financial and commercial position?

Here at Memphis all our money is depreciated; and it circulates in the community from bare necessity.

Depreciated as it is, it will readily command on loan five per cent. a month.

Specie can hardly be procured at all; and where small quantities are procurable, it will readily command ten per cent. premium.

Eastern Exchange can hardly be had at all, and when small sums have been had, it sold at the rate of eight or ten per cent.

To pay a debt of ten thousand dollars in New York requires an expense of one thousand dollars.

Merchants of ample means are necessarily protested for want of exchange facilities.

Cotton which sold six weeks ago for sixteen cents per pound now sells for eight cents, and tardily at that; whilst every one knows its legitimate market price here should be fifteen cents.

There prevails a general depreciation of property and commodities. The country within the last six weeks in the shape of exorbitant interest, exorbitant premiums on exchange, depreciation of property and commodity prices, has lost millions and millions of dollars.

If these losses had been in the shape of taxation imposed by Government, they would have caused a revolution of the people against the Government. What is the cause? It is not the want of exchangeable commodities—for our warehouses and granaries are groaning with the extraordinary harvests of the year—our cotton, rice, sugar, tobacco, are all ready and eager for market. Neither is there any want of foreign demand. The wars of India and China call for an unlimited export of grain, flour and meat.

The stocks of cotton on hand in England, and on the continent, are frightfully low, and the price rules higher there than it has for years.

The cause is not foreign indebtedness, for the exports of our country during the last year exceeded the imports over two million dollars; and the low rates of sterling exchange, evince our small due indebtedness.

What is the cause? Why is it that our country never more prosperous in trade, and now our huge granary of commodities that will abroad readily command the highest prices, is now groaning under the disasters mentioned?

I take the cause to be our faulty banking system. Money is specie, and specie solely. It cannot have the character of uniformity and universality in any other shape. Gold and silver are recognized as standards of the value of property and commodities in all countries of the world. If you substitute paper, wheat, tobacco, iron or any other commodity in the place of specie, it can only be a local currency, it cannot be a medium of exchange with other countries.

No foreign country will take our wheat, tobacco and iron, much less our paper, with the value our law may attach to it as currency, as a standard of exchangeable value for her commodities.

Hence gold and silver must be the law currency of every country of the world, and the more foreign commerce the country has, the more essential is it to adhere strictly to this species of currency.

Specie has been recognized as a standard of value and as a medium of exchange by all commercial countries from time immemorial; and that very fact shows its peculiar aptitudeness to the purpose.

Its limited production gives it a character of steadiness and uniformity of value, and a facility of handling and moving, that belongs to no other commercial commodity.

Although specie is our law currency, by chartering banking institutions, we have substituted paper promissory notes in the place of it.

Some States by law require one third, others less, of specie, as a basis for the issuance of those promissory notes.

Various legislative provisions are made by different States, for the security of those bank issues, such as the individual liability of stockholders, the deposit of State bonds, &c.

These provisions, even if observed, which is never the case, can only be efficient in securing the ultimate solvency of the institutions; they cannot create a sound, healthy, uniform currency. They cannot create a currency equal to the exigencies of a commercial country. Let the wisest statesman or political economist in the world to frame a banking system of circulation that is not based dollar of specie for dollar of liability, that will answer the exigencies of a commercial country. Even a paper specie currency would be subject to some fluctuations which would produce temporary commercial distress. Such an unusual demand for specie in China, or any other foreign country, and its consequent withdrawal from this country.

But the financial disaster caused by the natural fluctuations of commerce incident to a pure specie currency, would be hardly noticeable when compared with the astounding, widespread disasters incident to our present banking currency.

Leaving out deposits, which though usage allows to be paid in bank circulation, is really a *cash liability*, what is the proportion of specie received by the banks of the United States to pay their actual circulation? On the first of July, 1856, there was in the United States a bank paper circulation of one hundred and ninety-six millions of dollars, based upon fifty nine millions of specie, which is a proportion of more than three and one-third dollars of immediate liability to one dollar of immediate resources. This proportion has been proved to be very unsafe; and even a less proportion has, as the experience of the last few weeks evinces, in times of panic and loss of confidence, resulted in general suspension and bankruptcy.

To preserve even the unsafe proportion of three and one-third to one, what course is necessary for the banks to follow? Why, if there is a foreign demand and consequent withdrawal from the country of thirty millions of specie over our share of supply from California, the banks, to preserve even the unsafe proportion of three and one-third to one, must curtail their circulation one hundred millions of dollars; thus reducing our circulating medium at once over one half. To affect this almost instantaneous reduction, what disasters must necessarily follow?

The disasters are such as these: The bank discount of notes that the commercial community have become accustomed to, and base their calculation upon, must be checked to the amount of millions, and this, without fault on their part, and with plenty of means, such as their country consumer's indebtedness for goods sold, and for advances on produce, not immediately realizable, the mercantile classes are dishonored and bankrupted by thousands—those thousands drag other thousands down with them to the same hopeless bankruptcy.

Property and commodities are depreciated in price by millions. Money, or whatever is substituted and recognized to a country as money, is the standard of the value of property and commodities. Reduce at one blow one half our currency, and you reduce in proportion the value of the property and commodities of the country.

Our currency having banished (as paper money always will banish) specie from the country, and the banks having curtailed their circulation one-half, we have only one-half enough money to carry on our exchanges of property and commodities. A great proportion of this is needed too in the payment of debts and the performance of previously existing commercial engagements. Hence money becomes scarce, its demand, and of high value compared with the value of other commodities, as money becomes dear property and commodities become cheap. And even where a commodity have a ready exchangeable value in foreign countries such as cotton, they are necessarily depreciated in price by the want of money to purchase and move it off to market.

Foreign exchange cannot be purchased for want of money, bills are cut and the cost remain depreciated in price until specie can flow in from foreign countries. The truth of this is illustrated by the New Orleans and Liverpool price of cotton. A bale of cotton will now bring twice the price in the foreign market as it will in the domestic.

By this depreciation in the value of property and commodities, even though it may be temporary, the country loses all loss.

Another result of this bank currency plantation is the exhorbitant rate of interest that borrowers must pay. Unable to get the usual bank accommodation, the merchant, to preserve his credit, must resort to brokers and shavers, and pay from three to five per cent. a month for loans.

This thing practiced a few months will eat up the laborious earnings of years.

If a debtor cannot borrow of the broker and shaver, he must sell his property or commodities.

Thus he incurs in dash times a debt equal in exchangeable value with his property and commodities to five thousand dollars, and perhaps will have to pay in the sale of his property and commodities depreciated in price as they are, and exchangeable value of ten thousand dollars in liquidation of the debt, and this from no fault of his.

Such would be the effect, and necessary effect, of a foreign demand and consequent exportation of thirty millions of specie from our country.

But suppose our currency, instead of being composed of one hundred and ninety-five millions of dollars in banks' promissory notes, was composed of that amount of gold and silver or their equivalent, what would be the result of the withdrawal of thirty millions of specie. The result would be that we would still have one hundred and sixty-five millions of currency instead of only ninety-five millions, as in the case of paper, to carry on the great departments of trade an industry.

A loss of thirty millions of currency, we would hardly feel, whilst the loss of one hundred millions would ruin us. Besides this, with a pure specie currency, the withdrawal of thirty millions would create no panic or want of confidence among commercial classes. No curtailment of discounts by millions each week. No withdrawal of deposits—no hoarding of gold and silver by timid capitalists, all of which are incident to a banking circulation.

I will continue the subject in your next issue.

C. F. V.

TENNESSEE LEGISLATURE.

NASHVILLE, Monday, October 19, 1857.

Senate.—Mr. Goff presented a communication from Dr. Cox, State Chemist of Ohio, appointed to detect adulteration in liquors, embracing the laws of Ohio upon their subject, together with his own views. Referred to tippling committee.

Mr. Travis, from the Committee on Private Corporations, reported Senate bill to establish Central University, and recommended its passage. Referred to special order.

Mr. Baden, from the Committee on Public Roads, reported Senate bill to amend the charter of the Franklin College and Stone's river turnpike, and recommended its passage. Referred.

Mr. Goff presents the report of W. F. Cooper, on the digest of the laws, which was referred to the special committee on that subject.

The Chair presented the biennial report of Col. Payne, State Commissioner of Roads which was read, and 2,500 copies ordered to be printed.

Senate resolutions to bring on the election of United States Senator in place of Hon. John Bell on the 27th was lost, ayes 13, noes 12, as follows:

Ayes—Messrs. Brown, Davis, Goodnasture Hill, Jones, McDougal, Reid, Travis, Walker Whitthorne, Knight and Mr. Speaker Birch —Nos—Messrs. Batchelor, Bulloss, Denton, Goff, Goodwyn, Hattin, Holwell, Menees, Mc Connico, Roach, Ross and Welcker.

BANK OF TENNESSEE.

Dr. Davis offered the following resolution, which lies over under the rule:

Whereas, The Capital Stock of the Bank of Tennessee is owned by the State, who, through its proper officers, have elected a President and Directors to manage the affairs of said Bank, these persons are alone responsible to the citizens of the State as to how the same is conducted. Be it therefore

Resolved, That the late suspension of the Bank of Tennessee (still leaves to the amount of six million nine hundred and seventy-three thousand dollars, in which there is included seven hundred and forty-seven thousand dollars in gold and silver to meet a liability of only three million and sixty thousand dollars, to which the officer expressed opinion of the officers of said Bank, that they were able to and would redeem their circulation when presented) does not meet the approval of this General Assembly.

Mr. Walker introduced a bill to incorporate the Southern Mutual Life Insurance Company. Passed first reading.

Mr. Munday had leave of absence until Friday.

The Speaker read a communication from the Maury County Agricultural Society inviting members of the State to attend their Fair Accepted, and Messrs. McConnico, Whithorne and Walker appointed a committee to represent the Senate on that occasion.

Adjourned to 10 a. m. to-morrow.

PETITIONS.

House.—Mr. Rivelston, from certain citizens of Hamilton and Grundy counties, to establish a new county. Referred.

REPORTS OF STANDING COMMITTEES.

Mr. King, from the Judiciary Committee, reported the following bills: To regulate fees of Attorney General. Director to Attorney General. To limit fees of Attorney General. To regulate turf racing. To repeal the act authorizing grand jurors to send for witnesses in certain cases. To amend the injunction laws. To repeal the Act to protect the homestead. To change the name of Robert L. Fetters; and recommended their rejection. As to repeal the following: To grant admission to bail in certain cases. To repeal the Act to protect the bill passed Feb. 5, 1856. To prevent costs expense in litigation; and recommended their passage.

Mr. Newman, from committee on Internal Improvements, reported a bill to "break down" the navigation of Forked Deer river, and recommended its passage.

RESOLUTIONS.

Mr. Turner, of Sumner, a resolution directory to the Nashville and Louisville Railroad Company, and asking information of the property of the road.

Mr. Blackburne, providing for the appointment of agents to sell the bonds of the State.

Mr. Taylor, recommending the gradual withdrawal of all paper currency, and the establishment of a specie currency.

Mr. Wilson, directing the clerk to prepare and furnish a business calendar for the House each week.

Mr. Bradford, requiring the Committee on Banks to inquire into the propriety of putting the Bank in liquidation, and to report to this House.

This resolution requesting Messrs. Meigs and Cooper to frame a law reform bill, introduced by Mr. Turner, of Sumner, heretofore, was taken up. Mr. Stanton offered an amendment to appoint a committee to frame the bill, with the privilege of conferring with Messrs. Meigs and Cooper. Mr. Polk offered an amendment that Messrs. Meigs and Cooper be added to the Judiciary Committee. Mr. Rose moved the previous question on the resolution and amendments, which prevailed.

Mr. Thompson, providing for a joint select committee to frame a law reform bill.

The General Post Office near most.

ITS PRESENT MERITS—THE TOASTMASTER GENERAL, A. V. BROWN.

[From the Milwaukee News.]

Brilliant and gratifying as may be the solution vision, portraying the progress and glory of the American Union, yet to the willed formed the study of the causes of this remarkable advancement, addresses itself with peculiar forces as also does a knowledge of the subsequent means and doings, which have thereto so materially aided the Union from the deep; and which surpass all reasonable conception. The affairs of our government have grown to wonderful proportions. Their proper management absorbs the wisdom of our purest and most accomplished statesmen. A life time, it seemed, is none too much to a perfect understanding of the mystery of management, which the judgment of our fathers subdivided among the many to secure the application efficiency of all. In our late visit to the Federal Capital, our attention was turned to the mission of the GENERAL POST OFFICE DEPARTMENT in a branch of the service, on which has outstripped all others in the march of the nation; and which, at this time, is attracting more notice than all the other Departments together. It is our purpose to enlarge upon the subject for the information of your readers.

In the days of the colonies was a little chartered communities, exercising all the dignity of small kingdoms—these clothed with State Sovereignty, limited in size, but important and distinct in the positions they occupy in the Confederacy. Yet as our model Union extends her vast area by conquest and treaty, and as each State and Territory becomes more thickly populated by their energetic and thriving citizens, so in like ratio do we see the multiplication of labors and cares increased in connection with the postal system of the country. Also, as the expansion of the United States is witnessed, and new States are created, we see them larger and larger, and individually rapidly filling up, and emulating nobly and earnestly to which equal and foremost places in the ranks of their elder sisters—and at the same time we most observe that the number of square miles of a titled country, far outruns the increase of the number of States in proportion, and hence the one is deeply concerned in the active, stirring events immediately around them, and it quite impossible to keep pace with the "step of the Union" out on the distant boundaries, nor can they always notice the disposition of service even at their own threshold. Both of these items in particular, have the responsibilities and demands of the General Post Office Department been enlarged to an amazing bulk, almost beyond appreciation.

Fifty years ago, the office of Postmaster General was contracted into a small compass of action. Then, railroads and steam vessels were fanciful dreams. Genius and science had not grasped effectually those subtle elements which time has since revealed, and applied to practical use by which the civilized world has been revolutionized with immense advantage to mankind. With their startling introduction, together with other discoveries and sources of refinement, and ignored, which magnify the sentiments of a people, the rea ll man seemingly the impulses given and received, by the Postal Department; and it takes no stretch of reason to account for the prominent position these circumstances have forced upon it—even a character also important and essential than any other branch of the Executive.

Fifty years ago the duties of a Postmaster General were light and irresponsible, compared with those to day discharged by any chief clerk of one of his assistants. Then, the people were few and easily satisfied; a few rouse, mail coaches and pony expresses, composed the principal means of intercourse; the good citizens travelled little, or if they did they were content to write few letters, because of high postage and difficulty of dispatch; their business made small demands and patiently they waited weeks for returns, and everything progressed in the same slow and easy way.

The measure of an honorable and laudable ambition being amply filled by these simple appliances. But when the progress of steam began to dawn, and the repetition of our free institutions traveled abroad and beat the thrones and battlements of the old country, they created a tremendous sensation within, and a positive sensation without, until our shores teemed with the multitude of those who sought that novel and liberal government whose territories loomed up so magnificently beyond the western waves. This spirited emigration waited a tide of humanity that add mid a people to expand and settle our unlimited dominion. What demands have all these varied interests made upon the Post Office Department! When we regard the fact that every inhabitant of the United States enjoys more or less mail privileges, and can, for the least trifle, transmit his letters to any portion of the country, or the globe, we can indeed wonder at the rapidity and perfection by which the affairs are administered. To accomplish these things, there are 25,000 Postmasters, scattered all through the country; 10,000 contractors, who carry the mails; thousands of messeng