

# SPRIT OF KOSCIUSKO.

BY WILLIAM E. [Name] & CO.]

"WHERE LIBERTY SHALL BE THE ONLY COURSE."

VOL. I.]

KOSCIUSKO, MISSISSIPPI.

ADVERTISEMENTS not marked with the number of insertions will be inserted until forbid & charged accordingly. Announcing candidates for office, will be \$10. No names will be inserted unless we are specially authorized by some responsible person. Publications of a personal nature will be charged double price. Letters addressed to the Editor on business connected with the paper, must be Post Paid, or they will not be attended to.

...per annum. ...at the end of the ...months, payable in ...at the discretion ...arrears have ...will be inserted at ...lines or less) for the ...cent per line each ...

ZENS OF COUNTIES LEAKE AND ... In consequence of the enquiries which are made, and owing to the very want of mail facilities, per circulation, and other intelligence, I have been a duty which I owed this Circular in order to explain and give explanations and opinions in relation to the Bank Bill, which together with the original bill, was passed at the last session of the Legislature now become a law. To you all that I took my part of the Senate, having so much opposed to the original bill which operated unequally and on this section of the State and other sections, that unifications or amendatory made which would objections, I should oppose to relieve the country from pecuniary embarrassment the wants of the people by some new project, the substitution of some institution that should be objections which I connected to this. The bill hurried on and forced advocates without our guarantee that any advantage to our connexion with secured in the supplemental law proposed to be passing in one branch of the. Under these circumstances against it on its final passage the original bill had passed it to be the duty who were opposed to it to shape the supplemental bill so as to correct the errors of the first, and make that might extend its to all. The supplemental bill, I do conceive has greater original if only in that in giving to the State owning one third of the in some respects it is in its provisions than the are the principal articles in the law creating the as it now stands. It is a capital of \$15,000,000. of this amount is to be and owned on the part and the remaining ten taken by individual subscribers individuals who subscribe, instead of paying for money, secure it by a mortgage to the Bank on property which is taken for stock is lands, town and the lands must have of it in cultivation, or ready for cultivation." If the interest to be paid annually; and the remaining third to be loaned on notes. The 31st section provides that "each and every stockholder shall be entitled to a credit equal to one half of the total amount of their respective shares," four per cent of such loans and the interest to be paid annually. Now it is very certain that if stockholders avail themselves of the privilege to which they are entitled under the 31st section, that there will be little or no money to loan out on mortgage for eight years, under the provisions of the 36th and 37th sections; and I presume that it will be the object with most who do take stock to avail themselves of this advantage, so that those who do not take stock, but hold back with the calculation of borrowing on mortgage will in all probability be disappointed. Again, if stockholders do generally avail themselves of the privilege of borrowing one half of the amount of their stock, I should consider the safety of the institution at once endangered if much of the residue was to be loaned on long time. It will be correct policy in the directors or managers to let out most of it on short loans well secured, so as to have a fund at all times at command to meet exigencies. If a stockholder does not wish to borrow money himself he can let his stock remain and accumulate the dividends to which as such he will be entitled, none of which are to be paid out for twelve years, at which time the bonds of the State first payable, will become due.— One fourth of the dividends to which stockholders are entitled are then to be paid out to them. One fourth more to be paid out in fifteen years. One fourth more in eighteen years; and one fourth more when all the State Bonds are paid, after which time the stockholders are to annually receive the dividends or profits

at more than one fourth of its appraised value, nor on a brick building at more than one half its value; and these buildings must be kept insured by the owner, and the policy deposited in the Bank.— The stockholders are required by the supplemental bill to pay two and one half per cent on their stock in money, (the Notes of our Chartered Banks) when called upon; but this is to be refunded to them again when the money is obtained upon the State Bonds. The money to carry this Bank into operation is to be raised according to the provision of the charter, by the sale of the State Bonds to the amount of \$15,000,000; the bonds are to be 7500 in number, and for \$2000 each, and to bear interest at the rate of five per cent per annum. One fourth part of these bonds are to be payable in 12 years, one fourth part in 15 years, one fourth part in 18 years, and one fourth part in 20 years. For the redemption of these bonds the faith of the State is pledged, which means nothing more nor less than that all the property in the State or belonging to citizens of the State is liable; the amount to be raised by taxation or otherwise, in the event of a failure in the institution. For the debt must be paid under the laws, usages and customs of civilized nations, or eternal infamy and disgrace will be the consequence. According to the charter the capital is to be located as follows:  
The Branch at Macon \$1,800,000  
" Augusta 1,000,000  
" Ripley 1,000,000  
" Lexington 1,900,000  
" Ponola 1,300,000  
" Vicksburg 1,500,000  
" Liberty 2,000,000  
\$10,500,000  
Leaving \$4,500,000 to be located at the parent Bank at the seat of government. The charter continues for forty years from the passage of the act. The affairs of the Bank are to be managed by thirteen directors, chosen from among the stockholders. Five of these are on the part of the State, to be chosen by the Legislature every two years, and eight of them are to be chosen annually on the first Monday of March at the banking house of the parent Bank by the stockholders. Each stockholder is entitled to one vote for each share or hundred dollars of stock which he has owned three months before the election, provided no stockholder shall be entitled to more than one hundred votes. Stockholders may vote by proxy, but no one shall be entitled to vote by proxy more than six hundred votes.— The affairs of the branches are to be managed by a board of nine directors living in the county where the bank is located, who are to be appointed by the Board of Directors. The 36th and 37th sections of the original bill makes it the duty of the directors of each of the Offices to appropriate two thirds of their capital to loan on mortgage on lands for the term of eight years, one eighth part and the interest to be paid annually; and the remaining third to be loaned on notes. The 31st section provides that "each and every stockholder shall be entitled to a credit equal to one half of the total amount of their respective shares," four per cent of such loans and the interest to be paid annually. Now it is very certain that if stockholders avail themselves of the privilege to which they are entitled under the 31st section, that there will be little or no money to loan out on mortgage for eight years, under the provisions of the 36th and 37th sections; and I presume that it will be the object with most who do take stock to avail themselves of this advantage, so that those who do not take stock, but hold back with the calculation of borrowing on mortgage will in all probability be disappointed. Again, if stockholders do generally avail themselves of the privilege of borrowing one half of the amount of their stock, I should consider the safety of the institution at once endangered if much of the residue was to be loaned on long time. It will be correct policy in the directors or managers to let out most of it on short loans well secured, so as to have a fund at all times at command to meet exigencies. If a stockholder does not wish to borrow money himself he can let his stock remain and accumulate the dividends to which as such he will be entitled, none of which are to be paid out for twelve years, at which time the bonds of the State first payable, will become due.— One fourth of the dividends to which stockholders are entitled are then to be paid out to them. One fourth more to be paid out in fifteen years. One fourth more in eighteen years; and one fourth more when all the State Bonds are paid, after which time the stockholders are to annually receive the dividends or profits

arising on their stock. So that upon this calculation, if the Bank succeeds, a stockholder will receive all the advantages upon the property which he puts in as stock, which he would do if he had sold it and received full pay, and still retains the use and occupation of it, and for all practicable purposes so far as culture and use is concerned, the ownership of it. The books for subscription for stock are to be kept open by the Commissioners in each County ninety days from the first Monday in May, after which time they will be closed, but kept open for three months longer at the seat of government if the stock is not all taken; but as there will no doubt be the whole amount subscribed before the expiration of the ninety days, it will perhaps be well for those who wish to subscribe to do so as early as convenient. There is one provision in the charter which will give some advantages to those who have but little property to subscribe. The second section of the original bill makes it the duty of the managers or directors of the Bank, in case more than the amount of stock is subscribed, to first deduct from the largest subscriptions "in such manner that no subscription shall be reduced in amount while any one remains larger." Under this, people living in this section of the State, who will generally be smaller subscribers, may avail themselves of its advantages; and another circumstance which will operate no doubt much in their favor, is the fact that their land titles will generally be found to be much clearer and less encumbered than those are in the older and more wealthy portions of the State. My principal object in writing this address, is to recommend all who can, to interest themselves in this Bank by subscribing for stock. To the enquiry which may be made, why I opposed this institution, if I would advise my friends to participate in it? My answer is, that it is now fixed us, and it behooves us to make the best we can of our situation. I look upon it as I would upon a change of our improved country for a wilderness, or our free and republican institutions for that of a monarchy or aristocracy. It is policy in each individual to take such advantages to better his own situation as the circumstances by which he is surrounded will afford him. My objections to the Union Bank were generally of a character which apply alike to the whole banking system. I look upon the whole system as it now exists throughout the United States, as fraught with danger to a Republican system of government, and calculated to deteriorate the morals of the country—give license and countenance to dishonesty and even swindling—and to raise up among us a set of idle drones who must live upon the labor of others, and to create artificial distinctions in society, by elevating above to the common level those who, in many instances, are even the most unworthy. In thus expressing my opinions I will also say, that I do not attach the blame particularly to any political party; for but too many calling themselves by names which would seem to indicate entire opposition to this state of things have lent their aid in establishing it. I hope and believe however that all those to whom I have addressed myself are more of genuine democrats than to be obnoxious to a charge of the kind. My opposition to the Union Bank did also not arise so much from the general principles of the bill as it was from its details, in its unequal bearing upon many of those whom I had the honor to represent. As it now stands I knew of no way by which those of my constituents who reside on lands known as the Indian floats or contingent locations, embracing perhaps a hundred citizens in the County of Attala, and many in Neshoba and Leake, can take stock at all in the Bank, unless it shall turn out fortunately that a pre-emption law shall pass during the present session of Congress, by which they may obtain good titles to their land. No matter what number of negroes or other uncultivated lands or vacant town lots they may have, they cannot be put in as bank stock for the want of cultivated lands to which they have a good title on which to base it. Another strong ground of my opposition was the pledging the faith of the State and incurring an additional debt of fifteen millions of dollars. The State is already indebted for the State Bonds in the Planters Bank and for the stock in the chartered Banks owned out of the State upwards of ten millions. If then fifteen millions more are to be added to this, it will make a debt of twenty-five millions, on which an interest of from five to ten per cent has to be paid annually out of the State, making perhaps in the aggregate, the amount of one million and six hundred thousand dollars which will in-

anally be paid out of the State in the shape of interest paid abroad. It is thought by many that the sale of the State Bonds at par cannot be effected. If so, so far from esteeming it a circumstance to be regretted, I shall consider it a most fortunate thing for the country. I think that the best policy which could be adopted in allowing that Bank into operation, would be to sell few or none of the State Bonds, but if at any time the institution required more funds they might be obtained by the Bank borrowing money at a shorter time than the bonds have to run, and pledging them as collateral security. I think that most certainly, if the irresponsible corporations under the name of Banks, such as are most of those which are now in existence in this State, can circulate their paper as money, that an institution like the Union Bank, with the landed property of the country mortgaged, and the State faith pledged as a guarantee, could give credit to its paper at once; and if it would pursue the course that other Banks have done, take Cotton from the borrowers of its notes, it could from the sale soon supply its vaults with an abundance of specie. I think that under existing circumstances the carrying into effect of the Union Bank will be useful if it is only to flood out the numerous other smaller institutions which now overspread the country—and may be endured upon the principle that we submit to a salivation to cure a fever. But I will go much further, and say that I believe the Union Bank might be made a very highly useful institution; and I have also much confidence that the present managers will make it a useful institution. I have no objection to a bank which furnishes paper money for convenience and which lends its aid to the encouragement of industry and enterprise; but my objection is to the existence of those kind of banking institutions which, instead of making money, withdraw it from circulation and impose upon the country by substituting their own false promises, in the shape of their bills and promissory notes, and encourage idleness, profligacy or reckless speculations, instead of honest industry. No country ever yet did prosper or become a wealthy or happy one except by the labor and industry of its citizens.— Banks therefore create no capital, and the sort of banks which we now have in Mississippi do not even introduce it, but are excellent machines by which to enrich those who have control of them, out of the earnings and industry of those who are unfortunately placed in their power; and the what I conceive to be misguided legislation, of not only our own State, but also of most of the States of the Union, has placed every body more or less in their power. A bank bill has lately been passed in the Legislature of New York which strikes me to be the most correct and just system which has yet been devised. It allows to any man or association who have a capital of \$100,000 to become bankers, but all their transactions must be open and in the face of the world; and in addition to their money capital they are bound to make the holders of their notes secure by a mortgage on real estate; and if at any time they fail to redeem in gold and silver, the holders have a summary way provided to have a sufficiency of property sold to pay them, and to prevent imposition as to the amount of their issues, all their bills have to be countersigned by the Comptroller of the State, and the dies and plates deposited in his office, and frequent inspection and full exhibits of their affairs are to be made to the public. With most of our banking institutions the great aim is to hide and mystify, as though there was something sacred in the character of a bank, and as though it were a business which could only be comprehended by the initiated. Banking, when honestly and fairly conducted, is as simple a business as the carrying on of any ordinary mercantile establishment; but when an institution is to be differently conducted, it is of course necessary to throw around it, the veil of mystery. The difference between fair banking and what I would term the *Nick Biddle* kind of banking, is about the same as the difference between playing at a fair game and depending on luck and good judgment and calculation for success, or obtaining the game by stocking the cards. Banks, if fairly and correctly conducted, according to the contracts of their charters, will never be a source of very great speculation to the stockholders, and were formerly regarded as nothing more than conveniences in which capitalists could place their money and receive a fair interest for the use of it, without trouble to themselves. But now it is those who want the capital, instead of those who already have it, that usually become the principal stockholders; and as their only object is to enrich themselves, they must con-

usually learn and use the art of cutting, shuffling and stocking in order to get a strong enough game upon the cards to enable themselves to continue in the game. They do not make any attempt to correct the existing banking institutions, or those connected with them, but they do it with the many of them, and that great number of the country, which now seems to feel serious apprehensions that it is to be itself regulated, unless it can prevent a general resumption of specie payments throughout the United States, does succeed in its nefarious scheme of preventing any considerable number of the banks throughout the United States from following the worthy example which the New York and many other eastern banks as well as some in Louisiana have set, of again redeeming their notes in specie, there is no predicting what serious consequences may flow from it. I can only say in conclusion, that so long as I am able to raise my voice, whether in a public or private station, I shall not hesitate to do so against any institution or system of things which is calculated to destroy that equality of rights which ought to exist under our republican government, nor will I be seduced in the discharge of a public duty any more to willingly bend the knee before the golden image, than I would to crouch before the iron rod of despotism; and I feel a full confidence that I am addressing myself to those who will respond to this sentiment.— The Union Bank may, if the stock is taken generally throughout the State by smaller stockholders and with some additional modification or laws which might be enacted for its good government, be made emphatically the Bank of the "Planters," "Agriculturists," "Mechanics," and "Merchants" of the State of Mississippi, and made to contribute to promote the interest of all these classes, because it will be always more immediately under their inspection, and if they feel that it is their interest they will and can make it not only a safe but also a valuable institution. I will say of banks as a certain great writer has said of governments, "that which is best administered is best;" but I believe that no government or bank will continue long to be well administered, where they are placed above responsibility to the people who are to be affected by them. I am very respectfully  
Your fellow citizen,  
G. D. BOYD.  
Kosciusko, June 2, 1838.  
*American Stocks held abroad*—From a statement in the Journal of Commerce, said to be derived from an extensive acquaintance with the facts by the compiler, it appears that the following American stocks are held in Europe, principally in England.  
*Estimate of American Stocks held abroad, principally in England.*  
Louisiana Bank Stock and Bonds of the State, \$22,000,000  
Pennsylvania State Stocks, 16,000,000  
Do. United States, 20,000,000  
New York State, 4,500,000  
Do. City, 1,500,000  
Alabama State, 4,500,000  
Mississippi do, 2,000,000  
Ohio do, 3,500,000  
Maryland do, 3,000,000  
Virginia do, 2,000,000  
Illinois do, 2,000,000  
Indiana do, 4,000,000  
Florida Territory, 1,500,000  
Farmers' Loan & Trust Company 5 per cent Bonds 3,000,000  
New York Life Insurance & Trust Company do, 1,500,000  
American do, do, 1,000,000  
Mississippi Bank Stock, 1,000,000  
Tennessee do, do, 800,000  
Delaware & Ranigan Co. and Camden & Amboy R. R. Co. Bonds, 2,000,000  
Miscellaneous Stocks and Securities, 14,000,000  
\$110,000,000  
The interest on all the State Stocks, since the suspension of specie payments, has been paid in Specie or its equivalent, except those of Pennsylvania, Virginia and Mississippi.  
In 1832, there were 81 whale ships belonging to Hull, Peterhead, and other places. The number is now reduced to 32. In 1818, Hull alone sent out 65 to Greenland and Davis' Straits; in the present year that port can only muster 4. An Inverness paper says it would not be surprised, if in a few years the trade should be altogether abandoned.—Saturday Chronicle.  
A slip from New Orleans says that from 75 to 100 lives were lost by the explosion of the Oronoko.