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LIFE OF ROBERT MORRIS.

Entered according to act of Congress, in the year 1834, by
David Gould, in the Clerk's Office of the District Court of
Massachusetts.

P R E F A C E .

YOUNG and middle aged men, of considerable general information, sometimes have occasion, when the name of ROBERT MORRIS is mentioned, to inquire who he was. This ought not so to be. With the military history of Washington, of Gates, Greene, La Fayette, and others, they may consider themselves sufficiently acquainted. They may know something of Adams, Franklin, Jefferson and others, whose names have been conspicuous in the civil history of the United States, but, unfortunately for the fame of Morris, at the time of his death, his setting sun was clouded by pecuniary misfortune. The memory of his name appears to be already passing out of the recollection of Americans. But it cannot be forgotten. Ramsey, the historian of South Carolina, and the biographer of Washington has given him no more than a just eulogium.

“When future ages,” says that distinguished writer, “celebrate the names of Washington and Franklin, they will add that of Morris. The silent operations of his system of finance, and his personal

credit, though less visible to the public eye, were, in the confused state of American affairs at the commencement of the year 1781, no less essential to the success of the revolution than the splendid military achievements of the one, or the successful negotiations of the other."

A *short* narrative is offered to the public, that it may cost but little money to buy it, and little time to read it. A few extracts from his speeches, on a subject of general interest, especially at this time, are added, that the public may see the intellectual portrait of the man himself. From matters of history, impartially given, it may be hoped, even the political partisan will not turn away with indifference.

Let the young merchant learn from the biography of Morris, the value of a character for industry and integrity.

Let the politician learn not to undervalue the talents or the services of those who buy and sell the productions of the earth. It is a much more honorable occupation than that of trafficking in offices and consciences.

Let those to whose custody and guardianship the public treasures may be committed, learn to emulate the ability and integrity of the first superintendent of finance. By this means they will gain a reputation far more valuable than all the property which may be committed to their charge.

LIFE OF ROBERT MORRIS.

It has sometimes been thought to have been the intention of providence in bestowing upon the citizens of the United States the civil privileges which we so highly prize, to give the world an example of the advantages of a just government, emanating from the people, and directed by their will. At least we have had an opportunity to do this, and if we fail the fault will be our own.

For this purpose the people themselves were prepared, under the dominion of a foreign power, by suffering the evils which in all future time were to be avoided. When the people were prepared, the yoke of subjugation was to be broken, that they might take a rank among the nations of the earth. Our fathers were aroused

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to resist the claim of uncontrolled and unlimited power.

But in vain, without a miracle, would the sinewy arms of our fathers have been raised in resistance to that oppression which threatened to crush them to the dust, and in vain would even the prayers of the sons of the pilgrims have ascended to Heaven, if a Washington had not been found, prepared to lead the forlorn hope of freedom to victory; and in the end to content himself with beholding the prosperity of his country.

Not less indispensable was the assistance of that band of patriots, his coadjutors in the great work, whose arduous labors were as freely and incessantly employed in the field, in the councils of the nation, or in the courts of foreign powers. Almost all who ever engaged in the work, seemed to have been expressly fitted for the stations they were called to fill; and they filled them with integrity and honor. There was indeed a traitor once among them, but he went out from them because he was not of them.

If their names go down to posterity with less renown than that of Washington, they will still be honored. Many of them deserve to stand with him in the front rank among the benefactors of their country.

There was one among the signers of the declaration of independence whose services in the cause of his country, in her hour of peril, were scarcely less important than those of Washington. Many of our young men may not remember his name; it will probably occupy much less space in history, and thrill with less interest on the public ear than that of him we call the father of his country. The simple reason is, his station was less conspicuous in the public eye.

The commander of an army occupies a much more prominent point of observation than another who may have been the prime agent in affording the means of collecting, feeding and clothing the men who compose it. Yet without the assistance of the latter the commander might be powerless, and weak as another man.

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If our country, in the war of the revolution, was as much indebted to any other man as she was to her Washington, that man was ROBERT MORRIS of Philadelphia.

If it be an honor to a country to have been the birth-place of such a man, that honor belongs to the county of Lancashire in England. His father was a merchant of Liverpool, and the birth-place of the son was in the vicinity. If it be a greater honor to have matured and fixed the lineaments of character which distinguish a man of superior mind, of integrity equal in purity to the finest gold, and of patriotism devoting all to the benefit of an adopted country, that honor belongs to the city of Philadelphia.

In 1747, a boy 13 years of age, crossed the Atlantic from Liverpool, whom Providence designed to be, thirty years afterwards, one of the most efficient supporters of American Independence. His father had preceded him and established himself at Oxford on the Eastern shore of the Chesapeake bay.

After his arrival in this country, the son was put under the care of a schoolmaster named Anan. At the close of his attendance his father expressed some dissatisfaction at the small progress he had made; to which he promptly replied that he had learned all his master could teach him. His father soon after placed him in the counting-room of Mr. Charles Willing, then a merchant in extensive business in Philadelphia.

At the age of fifteen he was left an orphan by the death of his father, occasioned by his being struck by the wadding of a gun which was fired to do him honor.

Little is now known of the character of the young clerk during the time of his apprenticeship except what may be inferred from its subsequent development in public life. There is however enough to mark its consistency with that of his riper years. We have one instance of decision. It is related that on one occasion, private information was brought him, from some of the correspondents of his principal, of an ad-

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vance in the price of flour in Europe. Mr. Willing was absent, but Mr. Morris, conceiving himself authorized by the confidence placed in him, and by the circumstances of the case, immediately purchased all the flour he could find in the market, on Mr. Willing's account. When he was complained of by his neighbors for raising the price of flour, Mr. Willing to justify him, disclosed the circumstances, and requested them to make the case their own and judge accordingly.

Mr. Willing, in his last illness sent for Mr. Morris to give him his parting advice.

“Robert,” said the dying man, “continue always to act as you have done.” This was all the advice he thought it necessary to give, and all he could say to recommend his young friend to the confidence of others.

It is stated that in 1754, though by the date of his birth he was but 20 years of age, he accepted the invitation of Mr. Thomas Willing, the son of his former master, to become the active partner in the new firm of Willing &

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Morris. This firm continued for the almost unprecedented length of time of thirty-nine years, being dissolved no earlier than 1793.

He was married on the 2nd of March 1769, to Miss Mary, sister of the present Reverend and venerable bishop White. She was a lady of exemplary virtue, to whom he was much attached. She survived him many years.

Previous to the commencement of the struggle of the then colonies, first for the common privileges of British subjects, and afterwards for independence, the house of Willing & Morris were extensively and successfully engaged in commercial pursuits. It was during this period that Mr. Morris, by his close application and his extensive commercial dealings laid the foundation of his future public usefulness.

His commercial experience and his knowledge of business enabled him to give sound advice on questions of vital importance to the interests of his country, where theoretical opinions would have been not merely useless but dangerous. His personal credit, was in some critical

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emergencies, the only apparent financial support of the tottering fabric of his country's freedom.

On the immediate prospect that the struggle between the colonies and the crown would be a violent and bloody one, many Americans, who afterwards evinced sufficient patriotism, were undecided. It was not so with Mr. Morris. He had before him the certain prospect that war would deprive him of the opportunity of prosecuting his accustomed business successfully, and oblige him either to abandon commercial pursuits altogether, or seek out new, more hazardous, and even dangerous channels of enterprize. It would not have been a matter of wonder, if, in such circumstances, he had favored the country of his birth in preference to that of his adoption. The state of the public mind in Philadelphia, was indicated by the circumstance that at the time of the reception of the stamp act, only three members of the Philadelphia bar were found who thought it expedient to encounter the consequences of a refusal to comply with its requisitions.

On the 23d of April 1775, an association met on the occasion of an accustomed annual festival. During their festivities the news was received that four days before, the British troops had commenced the work of shedding American blood in the vicinity of Boston. The battle of Lexington had been fought.

The tables of festivity were immediately deserted. The citizens saw before them the alternative of a contest, fierce, violent, bloody, vindictive, and of uncertain issue, or unqualified submission. For the former they were unprepared. Mr. Morris, the President of the association, and Judge Peters, with a very few others, remained to consider what course was to be adopted. The last hope of reconciliation, like the expiring flame of a feeble lamp, had disappeared. Then and there Mr. Morris avowed his unalterable determination, to support the cause of his adopted country, with all his strength and influence.

During the subsequent uncertain and eventful struggle, his talents were put in requisition, and

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were often employed in the public councils, his personal credit was almost constantly pledged to a great extent, and his labors on various committees were almost unceasing. As superintendent of Finance his exertions were so important as to appear to have been almost indispensable, to the successful termination of the contest.

Previous to the war, his business gave him an extensive intercourse with England, of which he availed himself for the advantage of his country as well as for his own benefit. All the important information thus obtained, and which it might have been unsafe to publish more extensively, he was in the habit of communicating to a few select friends whom he was accustomed to meet for the purpose in the insurance room of the Merchants Coffee-house. By this means it became known, and produced an important effect on the community at large.

After the commencement of the war, the direct intercourse between him and his former correspondents was interrupted. But much impor-

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tant information still reached him through the medium of friends on the continent. The free expression of his sentiments, and his tone of confidence in the success of the American cause did much to arouse the luke-warm, fix the determination of the wavering, and confirm the resolutions of those who had already espoused the cause of their country. Just such a man as Mr. Morris, was wanted in the councils of the nation; such a man was prepared for the station, and on the 3rd of November 1775, was chosen to represent the colony of Pennsylvania in Congress. Soon after, he was made chairman of a committee which had been previously raised for the purpose of contracting for the supply of arms and ammunition. The money which the records of Congress show to have been granted to him to pay for such articles, proves that he did not neglect the duties of this appointment.

On the 11th of December, 1775, he was appointed a member of a committee to devise ways and means to furnish a naval armament

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for the use of the colonies. This committee recommended the building of five ships of 22, five of 28, and three of 24 guns, and a committee, of which Mr. Morris was one, was chosen to carry the plan into execution. Of the doings of this committee, we are not fully informed.

One resolution of Congress directs a guard to be placed over the ships and stores of the United States at or on the wharves of Messrs. Willing & Morris, from which it is inferred that the firm employed their capital in part in furnishing the naval force of the United States.

This committee were authorized to appoint naval officers, and were directed to give instructions to the commander of the fleet, touching the operations of the ships under his command, and appear to have had the general superintendence of marine affairs till the establishment of a board of admiralty in December, 1779, when the arduous duties of this committee were transferred to that board.

Of the services of Mr. Morris in particular as a member of this committee, we have no

means of obtaining full information. But from his subsequent appointment in 1781, as agent of marine, to supercede the board of admiralty, the duties of that board being added to those of his other appointment as superintendent of Finance, we may consider ourselves authorized to infer, that as a member of the marine committee, as in every other situation, he was active and useful. As one proof of this, it is stated that on the day before Congress adjourned from Philadelphia to Baltimore in 1776, Mr. Morris, being still confident of ultimate success, notwithstanding the gloomy prospects of the country, borrowed \$10,000 for their use.

It appears from the journals of Congress that the naval committee on the 19th of September, 1776, presented an account of 134,331, 27-90 dollars for building eight armed vessels. Such appears to have been the commencement of a national establishment of a navy. It has since borne the American flag to the remotest parts of the globe. If our rulers and our diplomatists shall perform their duties with careful

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attention to the honor and good faith of the nation, we trust it will see that the flag of the union is respected, in all parts of the earth, as long as an American mariner shall wish to look at the *stars*.

Mr. Morris was present, and an actor in the ceremony of laying the corner-stone of the temple of Liberty, on the fourth of July A. D. 1776. We are not informed precisely what part he took in the proceedings which resulted in the declaration of independence, but we know that this measure was in perfect accordance with his decision of character, and with his ardent attachment to the cause of his country. We know also, that though that band of patriots who then and there pledged THEIR LIVES, THEIR FORTUNES, AND THEIR SACRED HONOR, to maintain the liberty and INDEPENDENCE of the United States, every one of them, most nobly redeemed the pledge, there was not one among them who had the good fortune and the honor of contributing so much, either of their property or their labors for that purpose, as Robert Morris.

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In the debates on the subject of commerce in 1776, Mr. Morris took what we may fairly presume to have been no unimportant part.

On the 15th of April he was appointed to negotiate bills of exchange to the amount of 3,000£, for the supply of the troops employed in the operations in Canada. This appointment will appear in its true light when it is recollected that its particular object was to give the country the advantage of his personal credit as a merchant, in order to sustain the credit of the bills he might negotiate to others on public account. This circumstance will explain the resolution of Congress to indemnify him for any losses he might sustain in the performance of the business entrusted to his care.

On the 20th of July he was re-elected to Congress. The most gloomy period during the whole of the revolutionary war was in the fall of 1776, while Washington was retreating through New Jersey followed by the British army, then on their way to Philadelphia. Many of the hearty friends of the American cause began

to lose their confidence; and in such cases, it is well known, the loss of confidence is the loss of strength. A dissolution of Congress, which had been feared, was prevented by their adjournment to Baltimore, leaving Mr. Morris, Mr. Clymer and Mr. Walton, a committee to transact any necessary business for the Union.

Philadelphia was to be re-animated, and if possible preserved from falling into the hands of the enemy. Mr. Morris removed his family, but remained himself with a friend.

At this time he received a letter from Gen. Washington, in which it was stated that while the enemy were immediately informed of all his movements, he was compelled, for want of specie, to remain in complete ignorance of their designs; and that a certain sum in hard money, was absolutely necessary to enable him to obtain such intelligence of the movements and precise situation of the enemy on the opposite shore, as would enable him to act offensively. This letter, sent by express, found Mr. Morris without the means of affording the requisite supply, and was

received at a time when the consternation, and general flight of the citizens, and the removal of their most valuable effects rendered a compliance with the request it contained not only difficult, but almost hopeless. He afterward often adverted to the depression of mind which he then experienced, and to the means by which he was enabled to relieve Gen. Washington from this cause of embarrassment. From the time of receiving the letter till evening, he revolved gloomily in his mind, the possibility of his being able to realize the expectations which had been formed from his patriotism and influence. At his usual hour of retiring from his counting room he was proceeding mournfully home, when he met a gentleman of the society of friends, with whom he was intimate. He enquired of Mr. Morris the news, which was then a matter of importance. Mr. Morris replied, "The most important news is that I am required to procure five-hundred pounds in specie, and you must let me have the money." The friendly but cautious Quaker hesitated—"Your security" continued

Mr. Morris, is to be my note and my honor. "Robert, thou shalt have it," replied his friend. The requisite sum was immediately transmitted to General Washington and enabled him to procure the information which, with his skill and the courage and confidence of his troops, gained the battle of Trenton. The head of Morris was not crowned with the laurels of the victory, but he had the grateful recollection, that he had contributed to the salvation of his country.

On the 10th of March, he was a third time elected to Congress. On the 28th of November, he was appointed with Mr. Gerry and Mr. Jones, to concert with Gen. Washington, the most practicable means for a winter campaign.

On the 5th of July, 1777, he was appointed a member of a committee of commerce to succeed to the secret committee. One part of the duties of this committee, as well as those of the secret committee which preceded them, appears to have been to make shipments of merchandize on public account to the West Indies

and other places for the purpose of procuring in return, such supplies of specie and military stores as could not be obtained at home.

The commercial house of which Mr. Morris was a partner, had been employed in this business under the directions of the secret committee and probably continued it under the new arrangement.

On the 27th of August 1778, he was appointed on the standing committee of finance.

His commercial credit was always very high, and this credit he devoted to the public service whenever necessity required. The Hon. Richard Peters testifies that he frequently procured pecuniary and other supplies, when from the known state of the public treasury, they could not have been procured by government.

On one occasion, Mr. Peters, who was on a committee for procuring supplies for the army, received a letter from Gen. Washington giving a most alarming account of the state of the military stores, and enjoining immediate exertions to procure a supply.

There were no musket cartridges but those in the boxes of the soldiers, and they were wet. The lead was exhausted. There was none known to be in the city.

In the evening, he attended an entertainment given by Don Mirailles, the Spanish minister; and endeavored to disguise his anxiety, as it was necessary to do at that period, in order to inspire confidence, and thereby as much as possible insure success. Mr. Morris however perceived that all was not right, and in a familiar manner observed,

“I see some clouds passing over that sunny countenance you assume—what is the matter?”

After some hesitation the general's letter was shown. After a short delay during which Mr. Peters says Morris played with his anxiety, but which was probably employed in the consideration of the pecuniary bearing of the subject, he called Mr. Peters aside and told him the Holkar privateer, a ship in which he was interested, had just arrived at his wharf with *ninety tons of lead*. “You shall have my half,” said he,

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“and, *there* are the owners of the other half,” pointing to gentlemen in the room.

“Yes,” replied Peters, “but I am already under heavy personal engagements as guaranty for the department to these and other gentlemen.” “Well,” said Mr. Morris, “they will take your assumption with my guaranty.” The lead was immediately secured, more than a hundred people were set to work during the night, and before morning a supply of cartridges was prepared and sent off to the army.

The firm of Willing, Morris & Co. were once suspected of mingling their private transactions with the public business committed to his care, with a view to their own benefit. A report of such charges against Mr. Morris, was brought to the notice of Congress by Mr. Laurens. Mr. Morris requested a committee of investigation, to examine the whole affair.

It appeared that the name of the firm had been used, by an arrangement with the secret committee, in some purchases made on public account, to prevent the increase of price which

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generally took place when it was known that contracts were making for the union.

On the report of the facts by the committee of investigation, Congress resolved that in the execution of the powers committed to him by the secret committee he had acted with fidelity and integrity, and an honorable zeal for the welfare of his country. His vindication was complete. Mr. Laurens himself, having discovered a clue to explain the transactions, which at first appeared doubtful, voluntarily came forward to give his testimony in favor of his vindication.

In the year 1780, the reverses in the south had produced a general depression, and the wants of the army were such as to threaten its dissolution. The credit of the continental paper money had failed. The treasury of Congress was empty. In these circumstances Mr. Morris projected the plan of a bank, for the purpose of supplying the immediate wants of the army on the credit of individuals, trusting to the resources of the country for their final

reimbursement. Mr. Morris headed a subscription list, the amount of which was to be paid in gold and silver if it should become necessary to sustain the credit of the bank, with the sum of \$10,000. He was followed by ninety-five others, raising the amount of the subscription to the sum of 315,000£, Pennsylvania currency. Mr. Thomas Willing, Mr. Morris' partner, was appointed President, and Tench Francis, Cashier. Directors were appointed, who were authorized to borrow money on the credit of the bank, and to grant special notes bearing interest at six per cent. No emoluments whatever were to be derived from the institution. Congress, by a resolution, expressed their high satisfaction in the assistance thus afforded the country in a time of great necessity, and pledged the faith of the United States effectually to indemnify the members of this voluntary and patriotic association. It does not appear that this company was incorporated, but it effected the object of supplying the army with three millions of rations, and we must add, with regret that

it should at that time, have been thought necessary, with *three hundred hogsheads of rum*.

This association continued till the next year, when the more regular plan of the Bank of North America was adopted.

On the 20th of February 1781, Robert Morris was unanimously elected to the office, then newly created, of superintendent of Finance. The duties of that office were analagous to those of the present Secretary of the Treasury. A part of them were to examine into the state of the public debt, expenditures and revenue, to digest and report plans for improving and regulating the finances, and for establishing order and economy in the expenditure of the public money, to direct the execution of all plans adopted by Congress respecting revenue and expenditure, to superintend and control all persons concerned in procuring supplies for the public service, to obtain accounts of all specific supplies furnished by the several states, and in his official capacity to prosecute in behalf of those States for all delinquencies respecting the

public revenue and expenditure, and to report to Congress the officers necessary for conducting the various branches of this department of the government.

The amount of labor devolving on the head of a department of so much importance, in a time of war, no man would estimate lightly.

But this circumstance was of but trifling importance, compared with those arising from the situation of the finances of the country. According to a representation of Gen. Washington, there was but a scanty pittance of provisions for the army scattered through the several states; the arsenals were poorly provided with military stores, and the workmen all leaving them; the various articles of field equipage the quarter-master general was, as a last resort, endeavoring to procure from the states; there was no regular system of transportation, nor any funds in the hands of the quarter-master to enable him to establish one; and a great part of that business was done by military impressment; daily and hourly oppressing the people,

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souring their tempers, and alienating their affections. The credit of the continental paper money had entirely ceased; a debt of more than two millions, of such a nature that it could neither be avoided nor delayed, without utterly ruining the credit of Congress in Europe, had absorbed the supplies from Holland, on which some dependence had been placed; public and private distress every where existed; many public officers to whom arrears of pay were due from the public treasury were exposed to imprisonment, for debts contracted for the means of living; some of the members of the board of the treasury, declared to Mr. Morris, that they had not the means even of sending an express to the army; starvation threatened the troops, and nothing appeared more probable than their dissolution.

In these circumstances New England made strenuous exertions for the supply of such articles as her soil produced. But a supply of flour was to be obtained principally in Pennsylvania, and for this purpose funds or credit were indis-

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pensible; neither of which did the public possess. Robert Morris however had credit, and by means of this the wants of the army were supplied. In writing to Thomas Lowrey, Esq., May 29th 1781, requesting him to purchase a thousand barrels of flour, he says, "To obtain this flour readily on good terms, I know you must pledge your private credit, and as I have not the money ready, although the means of raising it are in my power, I must pledge myself to you, which I do most solemnly as an officer of the public,—but lest you should, like some others, believe more in private than in public credit, I hereby pledge myself to pay you the cost and charges of this flour in hard money. I will enable you most honorably to fulfil your engagements."

A similar request was made, on a similar pledge given to Gen. Schuyler. In his letter to the latter, he represents the office to which he had just been appointed as a station which made him tremble when he thought of it; and which, nothing could have tempted him to accept but a

gleam of hope that his exertions “ might possibly relieve this poor distressed country from the ruin with which it was then threatened, merely for want of system and economy in expending, and vigor in raising the public money.”

In advising General Washington of these proceedings, he says, “ I shall make it a point to provide the money, being determined never to make an engagement which cannot be fulfilled ; for if by any means I should fail in this respect, I will quit my office from that moment.”

The provisions thus procured were sufficient only for the immediate wants of the army. In order to procure further supplies in season, Mr. Morris, in his private capacity, made a contract with the state of Pennsylvania, to furnish the quota of specific supplies apportioned to that state for the current year ; receiving as a reimbursement the taxes, for raising which, laws had been recently enacted.

This negotiation involved in the aggregate a sum exceeding \$1,120,000. The supplies were thus furnished for the army, before the money

could be obtained from the treasury of the state; and in such a manner as to raise the credit of the obligations of the state, from a depreciation of six for one, to two for one.

All the public resources were consumed as fast as they could be obtained, leaving no funds for any unexpected emergencies.

In the early part of the campaign of 1781, a plan had been agreed on for the capture of New York, then in the possession of the British forces under Gen. Clinton; in which the combined American and French armies were to be assisted by the French fleet. The Hon. Richard Peters, and Mr. Morris, by order of Congress repaired to the head-quarters of Gen. Washington, early in August, to consult with him on the arrangements and supplies necessary to carry the plan into execution. While there, information was received from Count De Grasse, of his intention to sail for the Chesapeake. This failure in the fulfilment of an engagement so confidently relied on, occasioned for once, a violent agitation in the mind of Gen. Washington. The

information was communicated to Messrs. Peters and Morris at beat of reveille. The hour of breakfast found Gen. Washington calmly making his estimates for a southern campaign against Cornwallis.

He inquired of the commissioners from Congress what they could do to assist him under such an unexpected disappointment. Mr. Peters on whom devolved the duty of furnishing the supplies, replied, "every thing, with money, without it, nothing," looking significantly at Mr. Morris.

"I understand you," said the latter, "but I must know the amount." This was soon ascertained. Mr. Morris then found himself under the necessity of informing the General that he had no money at his command nor any means of raising any immediately. He was however willing to make use of his personal credit if that could be made effectual. He submitted it therefore to the General to determine how far it might be prudent to rely upon this resource, the efficacy of which it would be necessary for him to risk.

Gen. Washington replied, "The measure is inevitable and therefore resolved on; I must pursue it at all hazards."

Messrs. Morris and Peters, being enjoined to keep the enterprize secret, returned to Philadelphia, but so cautious were they in their proceedings preparatory to the grand trial of skill and strength which determined the result of the war, that Congress were not apprized of the change of the plan, till the troops marched through the city.

Mr. Peters was active in making the requisite preparations. In three or four weeks, from seventy to eighty peices of battering cannon, and a hundred pieces of field artillery with suitable ammunition were prepared and sent forward.

All this expense, together with that of the subsistence and pay of the troops was incurred on the personal credit of Robert Morris who issued his notes to the amount of \$1,400,000, which were finally all paid. Yet with all these exertions the cattle destined for the use of the army were arrested on the road for want of

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funds to procure pasturage. For the supply of the most unavoidable requisitions, Mr. Morris negotiated a loan of specie with Count Rochambeau, which being put into the hands of Gen. Washington, enabled him, with the assistance received from Virginia and the other states, to act efficiently in the prosecution of the enterprise. It resulted in the capture of Cornwallis, and reduced the British forces in America to the necessity of acting chiefly on the defensive, and thus determined the event of the war.

At the time of these immense exertions, Mr. Morris was severely censured for not affording sufficient assistance to the southern army under Gen. Greene. This charge has been reiterated recently by Judge Johnson, in his biography of Greene. Besides the assistance publicly given, a secret agent, acting as a volunteer in the army with Greene, was directed in case of the most indispensable necessity, to supply him with small sums in specie.

That he was not more liberally supplied was obviously owing to the impossibility of doing so.

That there was much suffering in the southern army, both for want of clothes, and other necessaries, was undoubtedly true. Gen. Greene himself never complained. In 1783 he writes to Gouverneur Morris, “ I have the highest respect for Mr. Morris, minister of finance—I venerate his character, and the more for his engaging in so difficult an office under such unfavorable appearances.”

The difficulty and almost impossibility of procuring supplies from the several states, were the source of immense trouble to the financier.

Congress had no power to levy taxes. The states were extremely dilatory in making any provision by law, to meet the requisitions of Congress; and after provision had been made by the several legislatures, such was the condition of the country that it was difficult to realize the avails, in consequence of the want of efficient means of making collections.

The public creditors were sufficiently clamorous, but their complaints could not be made directly to the delinquent states; and most of the

leaders of the several states seem to have supposed that their own state had done their share in making provision for the public wants.

A fear that the accounts of the states with the union would not be adjusted increased the disposition to delay. The efforts of Mr. Morris were directed to counteract these sentiments, and to induce the several states to rouse themselves and make strenuous exertions for the country. In a circular to the governors of the several states he says, after giving the assurance that his efforts should be unceasing to effect a liquidation of the accounts of the states with the union, "I make this assurance in the most solemn manner, and I entreat that the consequences of a contrary assertion may be most solemnly weighed and considered before it is made or believed." "It is by being just to individuals, to each other, to the union, to all,—by generous grants of solid revenue,—and by adopting energetic methods of collecting that revenue; and not by complainings, vauntings and recriminations that these states must expect to estab-

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lish their independence and rise into power,
consequence and grandeur.”

The establishment of a national bank was one of the early financial measures of Mr. Morris. He had given his attention to the subject as a means of facilitating commercial operations before the war, and had taken some steps to establish a bank. Soon after his appointment to the office of superintendent of finance, he received a letter from Mr. Hamilton, recommending this measure as one calculated to be useful to the common cause in the low state of public credit; and suggesting a plan of operations. In reply, Mr. Morris expressed his satisfaction to find their views coincident on this subject, and gave him the assurance that he would soon see a proposition for a bank, differing from the plan proposed by him principally in the exclusion of real estate as part of the capital, which Mr. Morris thought inexpedient. It was not expected however that funds for the prosecution of the war, would be created by the establishment of the bank. “Anticipation of taxes and

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funds," he remarks on presenting the subject to the consideration of Congress, "is all that ought to be expected from any system of paper credit; this seems as likely to rise into a fabric equal to the weight, as any I have yet thought of." The plan received the approbation of Congress by resolution on the 26th of May 1781, Massachusetts alone dissenting. But it could not be carried into immediate execution. On the 31st of Dec. 1781, a charter of incorporation was granted by Congress which was subsequently confirmed by an additional charter from the state of Pennsylvania, and on the 7th of January 1782, it was opened for the transaction of business.

In the preamble to the act of incorporation by Congress it is recited that the exigencies of the United States required that such an act should be immediately passed. They had previously recommended the grant, by the several states, of an express power to Congress to pass such an act of incorporation, but this not having been done, they assumed the power, to do

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it on the ground of the necessity of the case. The act, however, contained a proviso that it should not be construed to authorize the exercise of any powers in any of the states repugnant to the laws or constitution of such state.

The capital of the bank was to be \$400,000, in shares of four hundred dollars each, in gold and silver.

It was to be under the management of twelve directors chosen from the stock-holders, each of whom was to be entitled to a vote for every share of the stock belonging to him; the directors to choose the President.

The bank was under obligation to present a statement of their cash account and of the notes issued and received, to the superintendent of finance every day, and was besides liable to be examined by that officer in relation to the management of their affairs, and for that purpose he was to have access to all the books and papers.

“The use of the bank,” says Mr. Morris in an address to the public, “is to aid the govern-

ment by their moneys and credit, for which they will have every proper reward and security; to gain from individuals that credit which property, abilities and integrity never fail to command; to supply the loss of that paper money which, becoming more and more useless, calls every day more loudly for its redemption;—and to give a new spring to commerce in the moment when by the removal of all restrictions, the citizens of America shall enjoy and possess that freedom, for which they contend.”

One object, avowed by Mr. Morris, was “to unite the several states more closely together in one general money connection, and indissolubly to attach many powerful individuals to the cause of our country by the strong principle of self-interest.”

Whatever dangers the champions of nullification might apprehend to their schemes of self-aggrandizement, from the effect of such a measure, in attaching men of property to the interests of the union, there can be no doubt but in Robert Morris, this expectation was a patriotic



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motive. *Divide and conquer*, was the plan of the common enemy, but it never was, and never will be adopted by the friends of the best interests of any part of the union.

The aid afforded by the bank to support the cause of the country, considering its limited amount of capital, was very considerable. In the course of the first six months it had advanced to the United States a sum equal to its whole capital, besides \$80,000 on an account of the state of Pennsylvania.

Considerable facilities were also obtained by the public, by discounts on the notes of individuals and by credit furnished to contractors for the army. Great numbers availed themselves of the vaults of the bank as a place of deposit for money, which for want of opportunities of advantageous investments had been long concealed. By this means the bank was enabled to extend its business to a great amount, and to afford assistance not only to the United States, and the state of Pennsylvania, but to the city

of Philadelphia and to great numbers of private citizens.

“It may then,” says Mr. Morris, in an address to the public, “be not only asserted, but demonstrated that without the establishment of the national bank, the business of the department of finance could not have been performed.” “The establishment of the national bank,” he observes in a letter, (March 25, 1782,) “answers all the purposes expected from it, and even exceeds the most sanguine hopes that were formed by its warmest advocates. As the operations of the bank become extended, the benefits of the institution will be felt in the extreme parts of the United States. Their notes acquire every day a greater extent of circulation, and they have obtained the most perfect confidence hereabouts.”

Mr. Morris on first entering on the duties of his office endeavored to introduce a system of regularity in the economy of the public finances, and this with the invariable punctuality with which he fulfilled not only his own private

contracts, but the engagements made by him on account of the public, produced the most beneficial results. General Washington said "the abilities of the present financier have done wonders." This too was the sentiment of all who had the means of judging, or of tracing effects to their causes. But notwithstanding the temporary assistance derived from the personal credit of Mr. Morris, and from the bank, the difficulty of raising supplies from the states was the source of great embarrassment. The issue of private notes and the loans obtained from the bank could be useful only as temporary expedients in the anticipation of funds. Having been unsuccessful in their most important manœuvres, and reduced to the necessity of acting on the defensive, the enemies of American freedom still cherished strong expectations that the derangement of our finances, the dissensions among the states, and the discontent of the unpaid officers and soldiers in the army would finally reduce the country to the necessity of relinquishing the advantages obtained by the

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sacrifices which had already been made. Nor were such expectations so absurd as upon a superficial view would now appear. It was with the hope of disappointing them that Mr. Morris continued to discharge the duties of his office, under circumstances of great embarrassment and perplexity.

His exertions to induce the states to furnish the means of paying the expenses and sustaining the credit of the union, were constant, vigorous, urgent, and dignified, but unfortunately in a great measure, though not entirely, unsuccessful. The just claims of individuals which he was incessantly called upon to satisfy in behalf of the country, and the impossibility of relieving their distresses, was a source of a most unpleasant state of feeling. The call for an impost of five per cent, which Congress had recommended for the purpose of providing, among other things, for the interest of the just claims against the United States, was not responded to. The means of meeting the current expenses of war, could not be diverted to any other purpose.

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“As to making advances from my own private fortune,” said Mr. Morris, “I have already before the acceptance of the office I now hold, expended much more in that way, than ought to have fallen to any private citizen.” It was also obvious, that some public emergency might happen before the final termination of the contest in which, as a last resort, Mr. Morris could apply his own means to better purpose for the salvation of the country, than in the payment of debts not contracted upon his credit. We are authorized to believe that in such a case, his country would have had the same proofs he had previously given, of his devotion to her cause.

The complaints, the malicious insinuations, and open calumnies, which were heaped upon Mr. Morris during his continuance in office, by the discontented or the designing, have now lost their force. They were numerous and bitter, but after what we have seen of the man, none of them having, at any time, been substantiated by evidence, they need no refutation, and therefore require no repetition.

By a resolution of Congress, August 29, 1781, it was determined that, for the time being, there should be appointed an agent of marine with authority to direct, fit out, equip and employ the ships and vessels of war, belonging to the United States, according to such instructions as he should, from time to time, receive from Congress;—that all prizes belonging to the United States, should be sold under his direction; and that all accounts and demands for pay, and for all disbursements and expenses respecting said marine, should be transmitted to said agent for settlement and payment: and that he should cause regular entries to be made and kept.

By another resolution, on the 7th of September following, it was ordered that until an agent of marine should be appointed, all the duties, powers and authority, assigned to the agent of marine, should be devolved upon, and executed by the superintendent of finance; and that as soon as he should take upon him the execution of those duties, powers and authority, the functions and appointments of the board of

admiralty, the several navy boards, agents, and all civil officers under them, should cease.

Mr. Morris accepted the office of an agent of marine with great reluctance; but the same untiring zeal and patriotism, which had already caused him to promise that the American Congress might command him, and every thing he had, *except his integrity*, induced him to wave his objections. No other agent being appointed by Congress, he therefore continued to perform the important and responsible duties of an agent of marine, till the time of his resignation of the office of superintendent of finance.

On the 24th of January 1783, the prospect of peace being favorable, and that of a permanent provision for the just demands against the union, having been deferred to an uncertain future, Mr. Morris announced his intention to resign his offices in the succeeding May. To prevent the apprehended consequences of the loss of confidence in the government which it was expected would follow from this announcement,

an injunction of secrecy was immediately laid on this communication.

A committee, afterwards appointed to devise the most proper steps to be taken in consequence of this resolution, solicited and obtained his consent to continue in office till arrangements could be made for the reduction of the army, and the engagements that should be made by him in consequence, and those already entered into by him, should be completed.

On the 17th of June 1783, a committee appointed to examine into the transactions of the office of finance reported,

“That the business of the office had been conducted with great ability and assiduity, in a manner highly advantageous to the United States, and in conformity with the system laid down by Congress;—that the public accounts of receipts and expenditures had been regularly, and punctually kept, that many of the accounts which preceded that institution had been already settled, and most of the others put in a train of adjustment;—that those who had been entrusted

with public money after the institution of that office, had been regularly called on for their accounts, which had been furnished except in the case of two officers under the quarter-master general, who had given their reasons for delay;—that the states had also been called on for their accounts of specific supplies furnished for the union, which however had not been rendered;—that in the cases of several persons who had before been intrusted with public money the defect of the law in the several states deprived the superintendent of the power to compel them to a proper settlement;—that important reforms had been introduced, in the management of the public expenditures, and that the order and economy which had been manifested had been attended with great savings of public money, as well as many other beneficial consequences;—that in the commissary department alone a saving had been made in the pay of 250 persons discharged from public service, amounting to 126,300 dollars, besides rations for themselves and horses;—that in one

instance, at the post of Philadelphia, a new arrangement had been made, effecting a saving in the article of forage only, of 990 tons of hay, one thousand tons having been demanded and only ten tons found necessary;—that from the 14th of May, 1781, to the 1st of January, 1783, the whole amount brought into the treasury was \$2,726,334; and the expenditure was \$3,131,046;—that the expenditures of the year 1782, exceeded the receipts by the sum of \$404,713, which had been supplied by a circulation in notes of the financier;—that the accounts had been fairly stated to Congress;—that the business of the office of the treasury had been conducted with great diligence and accuracy, and in conformity with the rules laid down by Congress;—and in relation to foreign money transactions, that the bills of exchange which the superintendent had drawn, had been duly credited at the treasury; this being the only thing in those transactions which respected the superintendent.

At the opening of Congress, on the 1st of November, 1784, Mr. Morris finally resigned the office of superintendent of finance. On this occasion, a grand committee of eleven reported that they were of opinion that "the United States had derived very great advantages from the arrangement and management of their finances, under the administration of the Hon. Robert Morris, as superintendent thereof." On this committee were Mr. Jefferson, and Mr. Gerry, who were afterwards prominent leaders of the party opposed to that of which Mr. Morris was considered a strong supporter.

On this occasion also, Mr. Morris submitted to Congress an account of the finances during the time of his administration, prefixed to which is an address to the inhabitants of the United States. In closing some remarks upon the facilities furnished by the bank, he acknowledges his obligations, as a public officer, to that institution, and adds the assurance that their confidence in him as the head of the department of finance, was as extensive as prudence could

possibly admit ; and only confined by their duty and their means.

In this address, he urges, from his own sad experience of the mischiefs of a contrary policy, the necessity of making due provision for the public debts, and establishing a more powerful and energetic general government.

“ The payment of debts,” he observes, “ may indeed be expensive, but it is infinitely more expensive to withhold the payment. The former is an expense of money when it may be commanded to defray it ; but the latter involves the destruction of that source from whence money may be commanded when all other sources fail. That source, abundant, nay, almost inexhaustible, is public credit. The country in which it may be preserved with the greatest ease, is America. And America is the country which stands most in need of it, whether we consider her moral or political situation ; or whether we advert to her husbandry, commerce or manufactures.”

“ We are just emerging from a long and ex-

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pensive war; a war more expensive than it ought to have been, because the needy can never economise, and because no degree of talents can compensate for the want of experience. How soon we may be plunged into another, is known only to him from whom no secrets are hidden. But he has enabled us by reasoning on past events, to conclude that the only moral surety for peace, is a state of constant preparation for hostilities.”

“If a rupture should happen within the coming year, to whom are we to look for succor? And from whom shall we ask their treasure, or their blood?—Shall we apply to those veterans who lately bore our banners in triumph? Will they not show their scars, and point to the record of their wrongs? Our prospects, in case of war, are far from flattering; and unless our union be more strongly cemented, they will become gloomy indeed. The inhabitants of a little hamlet may feel pride in the sense of *separate independence*. But if there be not *one government* which can draw forth and direct the

combined efforts of United America, our independence is but a name, our freedom a shadow, our dignity a dream. To you, Fellow-citizens, these sentiments are addressed, by one who has felt their force. In descending from that eminence on which your representatives had placed him, he avoids the shafts which calumny had aimed. He has no longer any *personal* interest in those jealousies and distrusts, which have embarrassed his administration, and may prove your ruin. He no longer asks for confidence in himself. But it is his duty to declare his sincere opinion, that if you will not repose in the members of that general federal government, which you yourselves have chosen; that confidence and those powers which are necessary, you must, and you will, in no very distant period, become the dupes of European politics.”

“What may be the final event, time only can discover; but the probability is, that first divided, then governed, our children may lament in chains, the folly of their fathers. May Heaven avert these evils, and endow us with wisdom

so to act, as may best promote the present and future peace, prosperity and happiness of the country.”

The accounts presented with this address were a plain statement of the results of the financial operations of government, during the time of his continuance in office, in the form of a merchant's ledger. The inspection of these accounts will show that he was master of his business, a perfect accountant, an able financier, and an honest man.

It is said to have been stated by two members of Congress from Massachusetts, that the expenses of prosecuting the war, were reduced after the appointment of Mr. Morris to the office of superintendent of finance, from eighteen millions of hard dollars, to about four millions!

At the close of the war, the spirit of partisan jealousy was directed, amongst other things, to the bank. In 1785, on petition, and a report of a committee, assuming the statements of the petition as true, without making any inquiry into the proceedings of the bank, the legislature

of Pennsylvania passed an act purporting to repeal the charter granted by the state. The operations of the bank were continued under the charter of Congress, and on the ground that the repeal was illegal; but it was considered an object of great importance to procure a renewal of the charter from the state. For this purpose Mr. Morris consented to be a candidate for the legislature; and being chosen, he exerted himself in an eloquent and powerful argument, in favor of the renewal of the charter. The debate was a subject of great interest, was published at length by M. Carey, and is probably the best specimen of the talents of Mr. Morris, that can now be found. At this time, the opposite party were too strong. The idea of a bank for the benefit of merchants, found but little favor in the other portions of the community. It was supposed that the bank absorbed the funds, which otherwise might, by means of loan offices, be lent to farmers and others, on the security of real estate, for longer terms than the bank was accustomed to grant on discounts

to merchants. The question of renewal was lost at this time, by a majority of thirteen votes; but the friends of the bank were successful in the succeeding legislature.

In 1787, Mr. Morris was elected a member of the convention, which framed the constitution of the United States. In the form of government to be adopted, those who had seen the weakness and inefficiency of the confederation of independent states, furnishing or withholding supplies for the union, as each one thought its own individual interest required, were desirous to render the operations of the general government independent of the states. Among those who had most sensibly felt the necessity of such a course, was Mr. Morris.

In that body, Mr. Morris made a speech in which he advocated the choice of senators *for life*. He also advocated the opinion, that they ought to be “men of great and established property—*an aristocracy*.”

He went on to add, “History proves, I admit, that men of large property will uniformly

endeavor to establish tyrranny. How shall we ward off these evils? Give them the second branch, [the senate,] and you secure their weight for the public good. They are responsible for their conduct, and this lust of power will ever be checked by the democratic branch, and thus form the stability of your government. But if we continue changing our measures by the breath of democracy, who will confide in our engagements? Who will trust us? Ask any person whether he has any confidence in the government of Congress, [under the confederation,] or that of the state of Pennsylvania,—he will readily answer you, no. Ask him the reason, and he will tell you, it is because he has no confidence in their stability.”*

Such a feature in the senate would probably then have found little favor with the people, and would now find much less. The sentiment is easily accounted for in Mr. Morris from the experience he had had of the difficulty of dealing with the legislatures of the States, from his ob-

* Reported by Chief Justice Yates.

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ervation of the effects of frequent changes in the old Congress, and from his probable opinion of the excellence of the British constitution, as a model. Yet with his admission of the probability that rich men would endeavor to establish tyranny, it is not to be supposed he would have favored the principle without what he considered a sufficient check, in the house of representatives.

It is to be hoped that the people of the United States will never grant to any class of men any other exclusive favors than such voluntary homage as may be rendered to public and private virtue, combined with talents devoted to the public good. Yet it is easy to believe that the sentiments of Mr. Morris, respecting the formation of the senate, were honestly formed as the result of his observation and reflections, from the most pure and patriotic motives. In the absence of all evidence of the contrary, common charity and justice require this. In the constitution which finally received the approbation of Mr. Morris, the power of making a change in

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the character of the senate, not suddenly, but gradually, is, with great propriety, retained by the people.

In October, 1788, he was appointed by the legislature of Pennsylvania, as one of the senators to represent that state under the new constitution. He had once declared, that “a firm, wise, manly system of federal government, was what he had once wished, what he then hoped, what he dared not expect; but what he would not despair of.” Such a government, however, he saw, with Washington at its head; and he gave it his ardent and firm support.

At the close of the war, he had engaged in the East India and China trade, and in the spring of 1784, despatched the first American vessel that ever appeared in the port of Canton.

In 1787, on the 20th of June, he despatched the Alliance, to make what was then called an “out of season” passage, by avoiding some of the periodical winds which prevail in the south seas. This was effected by a passage around the south cape of New Holland; and the appear-

ance of the ship at Canton, the 22d of December, created great astonishment. / It has however been since found, that American enterprise could do other things, which had never been done before, and the wonder that they should be found, out of the common track, has ceased.

The British lords of admiralty applied to Mr. Morris for information respecting the course of the Alliance, which is said to have been marked out by him and Gouverneur Morris, previous to her departure.

Some time after the close of the revolutionary war, Mr. Morris engaged extensively in landed speculations.

In the expectation of speedy and profitable sales, he made large purchases, and incurred great expenses in procuring settlements. He was not the only man who indulged the expectation of great profits from speculations of this nature. It seems to have been a very prevalent opinion, that upon the establishment of our independence, Europe would be ready to send, not laborers only, but men of property and influ-

ence, to settle our extensive and unpeopled domains. The birth-place of liberty and the asylum for the oppressed, it was thought, would have irresistible charms for those who could not enjoy the privileges to which they were justly entitled in their native land.

But peace did not immediately bring with it all the advantages that were expected. Our government was unstable. Our commerce was unprotected. The open, or half concealed dissensions among the states gave fearful augury of an eventual dissolution of the confederation. Till the adoption of the federal constitution, we were not a nation. Instead of offering a sure pledge of great advantages to those who could overcome their predilection for home, and dispose of their property, our own liberties appeared to be held by a feeble and precarious tenure.

Few wealthy emigrants were willing to incur the risk of exchanging the limited advantages enjoyed in the old world for uncertain prospects in the new.

Mr. Morris, in his landed speculations, was

unfortunate. Though in earlier life he had sustained the credit of the country, he now found it impossible to prevent himself from falling under the weight of his own private embarrassments. There has been a time, which some men now living will not forget, when even honest men might be imprisoned for debt, at the will of a creditor. If we knew the names of the creditors of Robert Morris, who so rigorously enforced the penalty of laws made for dishonesty and fraud, we would, in charity, throw over them the mantle of oblivion. Robert Morris, in his old age, was imprisoned for debt! Whenever Washington came to Philadelphia, his first visit was to the man who had done every thing which could be done for the liberty of his country, but by the laws of that country, was, for his misfortunes, condemned to imprisonment. Mr. Morris himself however, made no complaint, but submitted, without repining, to the laws.

In connection, however, with his speculations in lands, he became interested in the policy of

internal improvements. His influence, as president of the Pennsylvanian Society for the Improvement of Roads and Inland Navigation, and of the Schuylkill and Susquehanna Navigation Company, and his calculations and writings, are believed to have given the strongest impulse to the liberal course of the state of Pennsylvania on the subject of internal improvements. How far he may have been instrumental in provoking the public men of New York and other states to emulation, and how much the country at large may owe him on this score, will probably never be known. But among the friends of these important means of enriching and cementing the interests of different portions of the country, as we hope they will be enriched and cemented before our union is finally broken, the name of Robert Morris should occupy a high and honorable place.

Mr. Morris, as a private citizen, commanded the respect and confidence of those who were most bitterly opposed to him in politics. To every candid reader of the history of the revolu-



tion, and of the no less hazardous political trials of the country which succeeded it, it will be obvious that any other general course of politics, than that which he pursued, would have been, in him, a dereliction of those principles of integrity and patriotism by which he had always been guided.

Faction and calumny found employment in censuring his public administration. But notwithstanding the thousand insinuations, which were continually thrown out against him, by public creditors whom the resources of the country could not satisfy, or by concealed enemies of American independence, his integrity and his honor was, and will remain forever untarnished.

In 1785, a resolution was passed by Congress, to appoint a committee to enquire into the administration of Mr. Morris as superintendent of finance, but no committee was appointed. That he might not appear to court those marks of approbation which had, on former occasions, been voluntarily given, he forebore to press the subject, though he was extremely solicitous

to clear himself from the suspicion which the passage of the resolution was calculated to throw upon him. In 1788, and 1789, he exerted himself to procure an adjustment of his accounts, but was unable to bring them to a close. On the adoption of the new constitution, the officers of the treasury declined to proceed in the adjustment without special authority.

In 1790, Mr. Morris presented to the Senate, of which he was a member, a dignified memorial, complaining of the neglect of Congress to carry their former resolution into effect, by which his reputation was injuriously effected; and soliciting the appointment of commissioners to make a final adjustment of all unsettled accounts. In this memorial, he speaks of injurious imputations on his official conduct, as "the only fruits of services, which, at the time they were rendered, he trusts he may without incurring the charge of presumption, affirm, were generally esteemed, both important and meritorious, and were at least rendered with ardor and

zeal, with unremitted attention and unwearied application.”

The senate passed resolutions for appointing and paying commissioners to make the investigation requested, and report to the president. If the public records, which have been published, contain the result of the investigation, it is not easy to find it. Happily, to sustain the reputation of Mr. Morris, it is by no means necessary.

His abilities were never questioned. His patriotism was more severely tried than that of any other man, during the revolution. The proceedings of the commander in chief were open to the observation and applause of all. But the operations of the superintendent of finance became known, rather by means of the embarrassments which it was impossible for him to relieve, than by the advantages received.

A foreign historian\* has recorded the opinion that “*the Americans owed, and still owe as much acknowledgment to the financial operations of*

\* Botta's War of Independence, vol. 3, p 343.

Robert Morris, as to the negotiations of Benjamin Franklin, or even to the arms of Washington.”

Doct. Ramsey says that Mr. Morris arranged the accounts and affairs of the treasury “with so much judgment, that economy, method and system, soon took the place of extravagance confusion and irregularity. The personal and unsullied credit of the superintendent of Finance was a powerful auxiliary to the government,—it facilitated contracts in behalf of the army, and lessened the evils which otherwise would have resulted from the arrested circulation of the paper currency.”

“In this crisis of affairs, the services of the superintendent of finance, were as beneficial to the union, as were, at any period of the war, the great abilities of the illustrious commander in chief of the armies of the United States.”

In private life, he was noted for his cheerfulness and benevolence, which attracted the esteem of a numerous circle of friends and acquaintances, as well as the grateful veneration of the people at large.

His manners were those of one who thought that the best way to appear to be a gentleman, was, to be one in reality. Hence there was no appearance of affectation. His fine, open and benevolent countenance, often lighted up with a smile of pleasantry, but never tinged with moroseness or melancholy, though his features were strongly marked, manifested a cordial good will; such as would rather stimulate to the performance of a kind action, than to claim the merit of it.

Mr. Morris was no less esteemed, in private life, than he was honored in public, by all who had opportunity to know his worth. It is said that no one was more ready than he, to assist in the promotion of objects of local improvement, in the encouragement of meritorious fellow-citizens, or of a faithful commercial agent. For almost half a century, his house was open as the seat of elegant and generous, but not ostentatious hospitality, to all strangers in good society, who had occasion to visit Philadelphia: and the numerous friends of American independence

found, in the hearty welcome they received, and in the manly and dignified friendship of their host, a new motive to perseverance in her cause.

He was invited by General Washington to take the office of secretary of the treasury, under the constitution ; but the object for which he had performed the duties of a similar office, under the most disheartening embarrassments, had been achieved, and the station offered no inducements to him, to subject himself again to the clamors of a host of public creditors, and interested partisans. He ~~however~~ recommended Alexander Hamilton to the attention of General Washington, as the man most fit for such a station ; and though there had for some time, been a coldness between those two distinguished men, and though General Washington seems not to have been aware of Hamilton's peculiar, and appropriate qualifications for this office, he was appointed ; and the appointment proved Mr. Morris to be as good a judge of financial talents in another, as he was able himself in that department.

He was for a long time afflicted with the asthma to which it was thought he had a constitutional tendency. Exercise at the pump, sometimes as violent, as if he was laboring to save a sinking ship, was the remedy to which, while his strength continued, he resorted for relief. But at length, worn down by public cares, and private embarrassments and misfortunes, he drew near the close of life. Once, one of the firmest pillars of American independence, but now broken, and about to be removed from the edifice, America seems for a moment to have forgotten the debt of gratitude she owed him.

His death, which was merely announced in the public papers as that of a man whose exertions in the cause of American independence were well known, took place on the 8th of May 1806, in the 73d year of his age. It was the result of a long and painful illness. No public eulogium appears to have pointed the young men of our country to his virtues, and his patriotic services in the cause of liberty and his country, as worthy of imitation. But history will record them,

and wherever, in future ages, the name of Washington shall be known, that of Robert Morris, his bosom friend, shall also be honored.

A biographical notice of Mr. Morris was given in the Political Register, published at Philadelphia, about the time of his death. Some of the facts mentioned in the preceding memoir, are given at greater length in the biography of Morris, by Robert Waln, Jr., published with that of the other signers of the declaration of Independence, in nine volumes. To this we would refer such of our readers as may have access to it, for a more extended history of the man to whom our country is so much indebted. There have been several other brief notices of the life of Mr. Morris, given as parts of larger works. It is believed, however, that no separate account of his life has been given, till the present time. How far our attempt may supply a desideratum, it is for the public to determine.



EXTRACTS

FROM THE

**SPEECHES OF ROBERT MORRIS.**



## EXTRACTS

FROM THE SPEECHES OF ROBERT MORRIS, ESQ., ON  
THE QUESTION OF RE-CHARTERING THE BANK OF  
NORTH AMERICA.

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In 1785, the legislature of Pennsylvania passed an act purporting to repeal the charter of the bank of North America, which had been established in 1781, principally by the influence of Robert Morris, for national purposes, and had been conducted, till that time, as a national institution. The act appears to have been a party measure, not previously anticipated by the friends of the bank. In 1786, Mr. Morris was elected to a seat in the legislature, for the purpose of advocating a renewal of the charter. The corporation had determined not to acknowledge the validity of the repealing act. But individuals petitioned for a renewal of the charter, and on a report of a committee in favor of the measure the debate arose.

The extracts are offered to the public, not for the purpose of supporting the cause of the banking system in the United States, but principally as speci-

mens of the style and talents of Mr. Morris in debate ; and as illustrations of the history of the United States during the war of the revolution, and the period immediately succeeding. Every thing of a merely local nature is omitted ; but most of those passages which throw light on the history of the times, or the biography of Mr. Morris, or on his views of commerce, banking and finance, are retained. It is conceived that the sentiments of a man of so much eminence, and of so much practical acquaintance with these subjects, expressed likewise, in a style which every body can easily understand, though uttered in debate, and without premeditation, will be considered worthy of respectful attention and consideration, though they may not carry conviction to every mind.

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The gentleman, (Mr. Lollar from Montgomery County,) tells us, he has a strong objection to the bank, because it facilitates commerce. From this, I presume he is an enemy to all commerce, and thinks we would be better without it. I wish the gentleman had favored us with an explanation of what he meant by facilitating commerce. From what he has said, I imagine that explanation would be, that the bank enables people to bring more goods into

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this country, than they otherwise could do, which is disadvantageous.

As to the theory of commerce, I do not pretend to be deeply versed in it: but I have had some experience in the practical part, and therefore I shall go into a short investigation of the state of our trade since the peace of 1783. At that period, the people of Europe, whose attention had been drawn toward us by the arduous struggle we had been engaged in, conceived the most flattering golden dreams respecting this country. After so long a war, they imagined, we could have no manufactures and that we were in want of everything.

He that could send here the quickest, it was thought, would the most effectually reap the golden harvest. This occasioned the immense importation of goods which were poured into this country from all quarters. Goods so imported have been sold at such a great loss that the trade has undergone change and regulation from its own nature; and we shall have no more of these wild adventurers coming amongst

us. How the bank facilitated those gentlemen in the management of their business I cannot ascertain. When they sold their goods they received for them either money or produce. If they received money, they could certainly ship it off without the assistance of the bank, and if they received produce they could have no recourse whatever to the bank. Perhaps the gentleman means that if the bank had not afforded the facility of procuring cash for exportation they would have been glad to take produce. But admitting this for argument sake it would make no difference, unless he can show that any of our produce has perished for want of being taken out of our hands.

\* \* The gentleman from Montgomery has told us, that under the old government, when there were men in the management of affairs as wise as any since, they had no idea of a bank—and that they subsisted without it. The old government had no idea of an alliance with France; but this observation affords no argument against either the one or the other.

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However, though the old government had no idea of a bank, the commercial men of the province had: and I, as a merchant laid the foundation of one; and established a credit in Europe for that purpose. From the execution of this design I was prevented only by the revolution. This assertion therefore, like many others is unfounded.

It has been argued that the bank is prejudicial to agriculture and improvements; that it has been the cause of the high rate of interest; and that usury was unknown before its establishment. These are heavy charges indeed—but they are not founded in fact. By what means can the bank injure agriculture? If discounts are injurious to it, then indeed, the bank may be arraigned. But how are discounts injurious to agriculture? I say they are used, on many occasions, for the express purpose of encouraging, agriculture, if affording to those who want to purchase the produce of the country, the means of making such purchases, when they would not otherwise accomplish them, be an encourage-

ment. Let us suppose a ship arrives here from the West Indies with a cargo of rum and sugars, belonging or consigned to some one of our merchants, who has not an opportunity to dispose of those articles immediately. It is prejudicial to have the vessel detained; yet though he has value in his stores he cannot procure money to purchase flour to load her. In this situation if there be no bank there is no redress. This is by no means ideal: I have frequently experienced it myself. The house with which I was connected have often had abundance of goods in their stores and magazines, and been unable to procure specie to lade their vessels. At this crisis, the bank steps forward, and if the merchant has evidence of property in his possession, he procures credit—purchases produce—and sends off his vessel. This is the facility the bank gives to commerce. Without it the farmer and merchant would be equally distressed; the former would have his wagons waiting in Market-street and no sale; while the latter would have abundance of rum, mahogany,

logwood, dry goods, &c. in his stores, none of which perhaps the other would have occasion for; but by means of the bank the merchant is enabled to purchase, and the farmer to return home.

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The high rate of interest has entirely arisen from the distresses of persons in want of money, who either had no credit at the bank or run through what they had. They were then obliged to make application to usurers, whose enormous demands rose in proportion to the distresses of their victims. Thus interest has mounted from $\frac{1}{2}$ to 2, and 5 per cent per month. But did the bank take this interest? No. Did it encourage those who took it? No. As fast as they became known, they were refused discounts. Why then charge the institution with that which it has a direct tendency to prevent?

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In further prosecution of his argument, Mr. Morris canvassed the report of the committee on whose recommendation the charter of the bank had been repealed.

* * Did that committee take a view of the

services which the bank had rendered to the United States? I believe they did not, and yet that was one of the points of view in which they ought to have considered it; for when chartered rights are to be destroyed, the matter should really be considered in every point of view. As the committee did not choose to make mention of these services, many of which must have been known to them, I shall, I trust, be excused for giving some little account of them.

In the beginning of the year 1781, the money and credit of the United States were at so low an ebb, that some members of the board of war declared to me that they had not the means of sending an express to the army. I mention this, only as one instance to show that distressful state of our finances which induced Congress to appoint a superintendent which was done in the month of February in that year; and a still stronger proof of our distress will be shown by the bare mention, that a motion was, about the time of that appointment, made in Congress, by an honorable delegate from the State of Vir-

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ginia, to authorize Gen. Washington to seize all the provisions that could be found within a circle of twenty miles around his camp. This motion having been submitted to me as superintendent elect, I requested that it might be withdrawn, and pledged myself to procure upon my private credit, a supply of four or five thousand barrels of flour, in a short time, for the use of the army ; and I was happy enough to succeed in the attempt. The various scenes of distress, and the extreme difficulties which presented themselves to my view at that time, were sufficient to have deterred any man from the acceptance of such an appointment ; but however unequal to the station, the attempt was indispensable. I found it absolutely necessary previous to the acceptance, to make certain stipulations as leading to the only possible chance of success. Among these was that of not being liable to make good the previous engagements taken on account of the United States, well knowing that such demands must soon have run me down. Another stipulation was made with the minister of France, for

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a credit upon the king's treasury which was granted in a very limited degree. That minister did not want inclination to go greater lengths; but I have reason to believe that he was limited by instructions, both as to the sum and terms of a loan, terms which it would be improper for me to mention here, although they would add another proof of our then miserable situation.

This credit however, and the confidence reposed in me by the then legislature of the state of Pennsylvania, laid the foundation for appreciating the paper money of this state, and enabled me to feed and move the army during the remainder of the year 1781.

I was happy enough to find that assembly disposed to give every possible aid to those designs which were then formed for promoting the public service. The executive branch of government was equally well disposed.

Under the pressure of those difficulties I have mentioned, the idea of a public, national bank suggested itself as a measure that might be extremely useful in my attempt to regain, for the

United States, that credit which had been lost. I made the proposal for establishing it to Congress, which met their approbation. Every one knows the terms on which it was offered to the public; and yet from the month of May, when the proposals were published, until the month of September or October following, there were not more subscriptions in the whole than amounted to about seventy thousand dollars.

During this time one of his most Christian majesty's frigates arrived at Boston, and brought a remittance in specie of about 470,000 dollars. This sum was brought to Philadelphia and deposited in the vaults of the bank. I determined, from the moment of its arrival, to subscribe on behalf of the United States, for those shares in the bank which remained vacant; but such was the amount of the public expenditures, that notwithstanding the utmost care and caution to keep this money, nearly half the sum was exhausted before the institution could be organized. In November 1781, the President and Directors of the bank were elected. They

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obtained a charter of incorporation from Congress, and opened the bank for transacting business in January 1782. I subscribed the sum then remaining in the treasury, being about 254,000 dollars, into the bank stock, for account of the United States, which became thereby the principal stock-holders.

On the 1st of April 1782, the United States possessed stock to the amount of 252,918 28-90 dollars, and they were then indebted for money borrowed of the bank 300,000, dollars by which it appears that if this institution had not taken place, the treasury would have been nearly 50,000 dollars worse than nothing.

The requisitions of Congress for 8,000,000 of dollars, which were passed the preceding November, required no payment from the states until May: and it is well known that long after that time they produced no effect. At that period public credit was gone to wreck, and the enemy built their most sanguine hopes of overcoming us upon this circumstance, but at that crisis our credit was restored by the bank.

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On the 1st of July 1782, the United States held to the amount of 253,000 28-90 dollars in bank stock and were then indebted to the bank 400,000 dollars, which is nearly 150,000 dollars more than the amount of their said stock. I am sensible that by mentioning these transactions, I expose the President and Directors to the only censure which can affect them. The then stock-holders might with some appearance of reason, have complained that they had extended their credit to the United States too far beyond the bounds of discretion: but let it be considered that they were told, and truly told by him who presided over the finances, that the fate of their country depended very much upon the assistance required from time to time at their hands. Their desire to render public service, and their confidence in the assurances given repeatedly by that officer, of faithful repayment, will surely justify them for having risked a part of the property confided to them for the security of the whole; but even supposing any censure to lie, how far such censure will justify the

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 present opposition of those concerned in the attack on the bank, I leave for the consideration of every gentleman present.

In October 1782 the United States continued, as before possessed of bank Stock for 253,394 58-90 dollars and indebted 400,000. Before January 1783, the President and Directors growing rather uneasy at this heavy loan, and fearing censure, called upon me for relief, and I sold out stock of the United States to the amount of 200,000 dollars, and paid 300,000 dollars in part of the debt; so that on the first of January 1783, the United States held stock for 53,394 58-90 dollars, and owed the bank 100,000 dollars. On the 1st of April, the situation remained the same. By the first of July, I had sold the whole of the bank stock belonging to the United States, and they remained in debt to the bank, 129,800 dollars. On the first of October 1783, this debt was increased to 164,000 dollars, but by the 1st of January 1784, the United States were discharged of that debt.

The President and directors of the bank had



no pledge after the sale of the stock, for the debt of the United States, other than the public faith given in proper writings by their officer. During these times of distress and want, the utility of the bank was not confined to the advances made to the superintendent for public service.

It was eminently beneficial by extending discounts to contractors who supplied the army with provisions, and others concerned in trusting articles necessary for the supplies of the various public departments. Sometimes the notes were discounted on public, and sometimes on private credit. I have frequently been obliged to take the contractor's notes to me for the sums due to them, and endorse such notes in my private capacity, so that they might obtain discounts on those notes to themselves. By these and such other means as could be devised anticipations were effected until public money could be collected to discharge the notes.

From the aids given by this institution the United States were enabled to keep up, feed and clothe an army consisting of a larger number

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of men than they had had in the field before, or than they could have maintained without these aids. This army was, in every point, on a much more respectable footing than formerly and they kept the enemy at bay.

The report says, the bank has a direct tendency to banish a great part of the specie from this country. From what information the committee derived this knowledge, or whether it was instructive I cannot pretend to decide. But I maintain that it has a direct contrary tendency. The money of the stock-holders and depositors is drawn into its vortex, and how is it to be got out of their cellars? The directors will not certainly give it away. They lend it but for short periods,\* and few of those borrowers would risk a shipment of money which must so soon be repaid. Formerly when a ship was put up for London, the remitters who wished to ship specie were obliged, if they had not the money to cast about for ways and means of obtaining it, either by borrowing or buying of their neighbors and ac-

\* The usual period was forty-five days.

quaintances, and away it went if they succeeded. At present, under similar circumstances the remitters are obliged to make application to the bank for discounts: but the directors, being interested to obstruct the shipments of money, and knowing those who want discounts for that purpose, they watch them as closely as a cat does a mouse and refuse the discounts until the ship is gone. Such refusals may possibly have given rise in part to the charge of partiality. The directors, knowing how injurious the exportation of specie is to the operations of the bank will not lend money for exportation. No considerable sums can be sought after, or obtained for this purpose without their being aware of it. The experience and habits they have acquired in the course of their management enable them to perceive the approaching evil; and they endeavor to counteract and obstruct it as soon as discovered. Thus, although they cannot prevent the exportation of specie, they render it far more difficult than it otherwise would be: and consequently the bank has no tendency to

banish specie. The report last year, therefore, so far as it is grounded on this charge, is grounded on a falsehood.

This report proceeds to tell us, that the bank, after banishing a great part of the specie of the country, collects nearly the whole of the remainder into the hands of the stock-holders. How this can come to pass it is not easy to ascertain. Every six months a dividend is made of the profits of the bank: and if we reflect who are the stock-holders, we shall find it most probable that the dividends are devoted to their current expenses, for the support of themselves and families, and by that means circulated again amongst the community. At any rate, by means of the profits, the stock cannot increase, unless new shares are purchased which cannot now be done. And if it were to be done the number of stock-holders would increase with the number of shares sold: consequently the charge of accumulating the wealth of the state into the hands of a few individuals falls to the ground.

The report goes on to state "That the accu-

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 mulation of enormous wealth in the hands of a society who claim perpetual duration, will necessarily produce a degree of power and influence which cannot be entrusted in the hands of any set of men whatsoever, without endangering the public safety.”

How is this accumulation of enormous wealth to take place? If an individual possesses one share in the bank stock, it cannot accumulate; it will always remain one share; for the profits are divided and drawn out half yearly. An increase of the number of stock-holders, increases the number of shares; and by experience has been found to reduce those profits. What then is meant by this accumulation? this influence? They are mere bugbears held out to terrify the ignorant and unsuspecting members of the community. \* \* \* \*

Has any of this much dreaded influence shown itself in the legislature? I answer, no. If any member will say yes, let him show me when;—let him show how—let him produce evidence of the fact. But if such influence did exist, is it

possible it would extend beyond the bounds of the city? One of my worthy colleagues and myself are stock-holders, and gentlemen affect to suppose we are under this influence. This is considering the matter in the worst point of view. But for the sake of an argument, if we admit it for a moment, how far does our influence go? We offer our sentiments on various occasions: we urge reasons and arguments which we at least think ought to have weight and carry conviction. But if these arguments are offered against a certain system of measures, there are certain gentlemen from the country, who possess a kind of magic which produces a much greater effect than our reasoning. We carry but very few points against this magic charm, and with a vote on the question our influence is ended.

The report goes on to say that "the bank is not dependent on government." I am very glad it is not, and hope it never will be. The moment it becomes dependent on government, that moment it is destroyed. The confidence of the public is necessary to its existence; and that

confidence has been acquired by the punctual compliance with its engagements. Were it under the control of government, the people would withdraw their confidence, and neither stock-holders nor depositors would be found to trust their money under such control. Gentlemen may say what they please of the credit of government; but the fact is, such credit is not obtained. Government ought to have credit, and no man wishes more than I do, to see it established, but not through this channel. If government, in the present state of things, could control the funds of the bank, and were to apply them to the use of the state, how should an individual whose money was taken by such authority obtain satisfaction? Should he go to law with the state? No; the government has too much power, and he must submit to what it should dictate. But if the President and Directors of the bank abuse their trust, and misapply the money, the law is stronger than they are, and the law will give him relief.

The report continues, "the great profits of

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the bank will daily increase as money grows scarcer, and which already far exceed the profits of European banks, have tempted foreigners to invest their money in this bank, and thus to draw from us large sums for interest." The committee might as well have stated that the profits of a mill increase in proportion to the scarcity of corn, by which it loses the toll, as that the profits of the bank will increase as money grows scarcer: for money is the life and soul of the bank, and as necessary as plenty of corn is to the mill. The first part of this clause has therefore no foundation in truth. And as to that part relative to foreigners taking away our specie in payment of the interest or dividends which will arise on their stock, I am glad of the opportunity of entering into the consideration of it; having heard it frequently urged by sensible men, as a grievance, that this country should pay dividends to foreigners; which they consider as a kind of tribute.

I shall remark by the way that when foreigners place money in the bank for the purchase of



stock, it proves that instead of facilitating the export of spiece, the institution has a tendency to draw it into this country. I assert that it is the interest of the country to borrow money abroad, and either pay interest or bank dividends for the use of it. Did the first settlers of America bring capitals with them? Some few individuals might, but the generality did not: if they could accomplish the bringing the necessary implements of husbandry, it was doing a great deal. The settlers that have continued to follow, from that time to this, were in the same way. Very few have brought capitals, and yet nearly all have grown rich. How did this happen? It has happened by the use of European capitals. How were these obtained for that use? Not by borrowing money, for they could not, it is true, obtain such loans. If they could, the country would have grown rich much faster. But they borrowed goods. America has risen to opulence by means of the credit she obtained in Europe. The goods so borrowed, or in other words bought on credit, were not procured upon the

same easy terms on which money is usually lent. It would have been much better for the traders in America to borrow money at six, eight, ten, per cent, or at any rate of dividend, made by the bank; and to have purchased their goods with ready money so borrowed; for with ready money, those purchases might have been made, ten, fifteen, twenty, and perhaps in some articles, thirty per cent cheaper than on credit.

It is true, the merchants of England usually shipped goods on one year's credit without charging interest for that year. But it has always been said, and in some instances proved in trials in the courts of law that the year's interest is amply compensated by the advances put on the real cost of goods, besides other benefices derived by the English merchant, by means of drawbacks, discounts, &c. &c. And if the American importer cannot pay at the expiration of the twelve months, an interest account commences, and is continued in such a manner that he pays at the rate of compound interest until the debt is discharged. Under

these disadvantages the credit obtained in Europe at a rate equal to fifteen, twenty or perhaps thirty per cent, has been the foundation of that prosperity which we behold in America. That credit has been extended by the importer to the country shop-keeper, and through him to the farmer and mechanic, who being thereby enabled to pursue their labors, have drawn produce from the surface and bowels of the earth, which has not only defrayed the whole of the cost and charges, but enriched the industrious. Must not then an institution which draws money from Europe for the use of our citizens at the rate of 7 3-4 or 8 per cent be extremely beneficial? Could America by means of such institutions, or by any other means, obtain loans sufficient to purchase all the goods wanted from Europe, with ready money, she would find a vast and lasting advantage in it.

The plan and utility of a loan office is very well understood.—A farmer borrows at that office at the rate of six per cent per annum interest. This enables him to improve his land to the

best advantage: and by well directed industry, he raises annually, from that land, an income exceeding the rate of interest; which soon enables him to discharge the debt. In like manner if we can create a credit in Europe, and borrow at the rate of six, eight, or ten per cent, so long as such loans can be employed to raise an income exceeding the interest paid, we enrich ourselves by the difference. The establishment of the bank has created that credit in some degree: and Pennsylvania, so long as her citizens can derive a better income from the capitals of Europeans, vested in our bank stock, than those Europeans derive from the dividends, ought to hold out encouragement for an increase of such stockholders, rather than pursue measures for diminishing their shares.

The report proceeds, “foreigners will be more and more induced to become stock-holders, until the time may arrive when this engine of power may become subject to foreign influence. This country may be agitated with the politics of European courts; and the good people of

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 America reduced once more to a state of subordination and dependence on some one or other of the European powers.”

This conveys a most extraordinary position ; that foreigners by depositing their money with us, should become our enemies, and seek our destruction ; and that those who place confidence in us, shall endeavor to ruin us. I hardly imagine that it can require a serious answer. The contrary proposition is self-evident. Had we at every court in Europe, persons so warmly interested in our favor as those stock-holders must be, we should have supporters in case any of the courts should form hostile designs against us. Nothing can make such stock-holders our enemies but breaking our contracts with them.

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Mr. Whitehill and Mr. Finlay spoke in opposition.—Mr. Morris replied.

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The gentlemen opposed to the bank constantly hold out the idea that the persons interested in it are always the same, and that it is a monopoly confined to a few. Now it is certain, that

on the contrary, the property in the bank is constantly changing hands. Where then is this permanent interest which should induce us to sacrifice the good of the country to the good of that establishment? The market is constantly open for the sale and purchase of this bank stock, and if the gentlemen in opposition seriously believe the advantages which they say are derived from that stock, why do they not invest some part of their property in it, for property they have, and there are always shares to be sold. The holders of that stock differ as widely, I presume, in their political principles, views, pursuits and desires, as the holders of lands, houses and other property. These gentlemen may, when they please, be of the number. How then is this cry of monopoly supported?

In the notes which I have taken of the speeches of my opponents, I so frequently meet with paper money—paper money—paper money—that it will be impracticable for me to follow them throughout that topic, and speak upon it as often as they have done.

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I find however that this is the great sore, and cannot help expressing my astonishment at the constant cry for paper money—[bills of credit issued on the faith of the government of the State,] by the country gentlemen when it is notorious that they will not sell the produce of their farms for it. No merchant with ever so much paper money at command, can purchase the produce of the country for exportation. Therefore I cannot ascribe this constant cry for paper money to any other cause than a desire to pay debts with less than their just amount, or to purchase lands at less than their value. I insist that there is no necessity for paper money. No industrious man in his individual capacity can feel the want of it, and wherever it is emitted it will be more likely to produce public mischief than public good.

The getleman asks, shall the state give way to the bank, or the bank to the state? and adds the bank should not interfere with the state. By the state I suppose he means a party in the state. I wish the state had not interfered with

the bank, and the bank would not interfere with the state. \* \* \* \*

The gentleman has told us, they had no banks in Rome during the republic. The Romans were a very different sort of people from the Philadelphians. They did in their days what they thought right and proper for them to do; but their conduct in this respect can never serve for a rule for ours.

The gentleman frequently gives us little scraps from history; and I give him credit for his reading, which I am always ready to hear and pay proper attention to, when it bears any analogy to, or runs parallel with the subject in debate. He has brought us an extract from the journals of the Irish house of commons, to prove that another people had strong objections to the establishment of a bank. I wish I were deeper read,—perhaps had there been revolution I should have been so,—I have read some history—but I will not trust my memory. On this occasion, however, I will observe that in 1721, the period in which the question of the bank



was agitated in Ireland, the people of that country were in a situation very different from that of Pennsylvania at present. They were under the government of Great Britain which held their commerce in trammels. They could hardly pretend to the enjoyment of liberty. This was moreover a time when the public mind was agitated by bubbles of government which were brought forth and burst in different parts of Europe. The people therefore were afraid of every new scheme.

But if the Irish could have established a bank, and had the management of it themselves they would have had no objection. After their late successful struggles for the recovery of their freedom, I am sure they either have already, or soon will establish a bank among them. But Ireland is a country which does not boast of its wealth or commerce. It is a very good country for importing people, linen, and potatoes from—but I should not have looked to Ireland to import from thence commercial establishments or precedents.

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In reply to some observations on this part of his speech, Mr. Morris subsequently said he did not intend in these remarks to say any thing disrespectful of the Irish people, and hoped he had not injured the feelings of any one; that he had himself been in Ireland, and experienced the hospitality of the inhabitants; that many of his intimate friends were Irish, and that he had not then to learn that large quantities of beef, butter and pork, and some manufactures were exported from Ireland; but still her trade was confined, and she was not the most proper place to look to for commercial precedents.

The gentleman has spoken of the low ebb of our commerce, and says it is almost entirely confined to importation.

The commerce of America is really, as the gentleman says, at a low ebb. It was on a much more respectable footing before the late war than it is at present. We then exported large quantities of wheat, flour, Indian corn, beef, butter, pork, iron, lumber and other articles, from this port. The neighboring provinces made the like exports. New-England exported fish, oil, whale-bone, &c. North Carolina, naval stores; South Carolina and Georgia, rice,

indigo, peltries, &c.; and every part of the continent had staple commodities suited to the consumption of foreign markets, which enabled us to pay for the things we had occasion to import. Certain it is that our exports are now much less than they were then, which is somewhat surprising as every article of produce commands a good price, and nothing remains on hand to perish for want of purchasers. Whether this decrease of exports is the consequence of less culture of the country, or of an increased home consumption, I cannot decide. But this is certain, that the returning habits of industry, with the daily progress of population, must give an amazing increase of produce for exportation; and I should not be surprized were this to happen much sooner than even the most sanguine expectations point out. If the position be true that we are in a miserable situation so long as our imports exceed our exports, I hope it will be admitted, and soon experienced that the reverse of that position will place us in a flourishing state.

But that the bank facilitates those importations, I have already denied, and have in some degree proved the contrary : and were it necessary, further proof might be adduced, though it seems improper to prove a negative. * * *

In reply to my observations respecting the difficulty of selling inward and purchasing outward cargoes for shipping, he asks, how were our ships loaded before the revolution ? I answer, and the fact is well known, that delays frequently, I may say constantly, occurred for want of facilities in raising money, and the merchant had it not always in his power to purchase the produce brought to market by the farmer.

The bank has remedied this inconvenience to both : destroy the bank, and I have no doubt the case will again become familiar to the most respectable traders.

The bank is said to be of no use to the farmer. I beg leave to ask whether it is not useful to the farmer to meet a ready sale for his produce ? If it be, I insist the bank in its opera-

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tions, is useful to the farmer. I have heretofore experienced the inconvenience arising from the want of a bank. When produce has been in plenty at market, and I have been eagerly bent on the purchase of it, although possessed of property sufficient, I could not command money for the purpose, and the farmer could not sell upon credit. Thus both have suffered distress which could have been relieved by a bank. The exports in those days were very considerable. The house of which I was then a member, have shipped in one year from forty to fifty thousand barrels of flour, and other articles in proportion. Such purchases require large sums of money, and these were extremely difficult to raise.

The quantity of produce for exportation will now be increased every year, and the demand for money will also increase. If the bank be destroyed, the merchants of these days will experience the difficulties I have mentioned. The farmers and millers, bringing their produce to market, must wait for the sale, until money can be raised. They will be frequently compelled

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to sell at reduced prices, such as a chance minded man may please to offer ; or they must place their goods in the hands of factors, who must derive their advantage by way of commission, storage and charges, which the farmer must pay. Whereas if the bank be suffered to exist, in full force, the merchant's occasional necessities can be relieved by discounts, and the farmer meet with ready sale for his produce. This I conceive to be the greatest use the farmer can wish to derive from the bank.

The first attack upon the bank gave a check to the price of produce, which has continued to be felt ever since : and if the bank be destroyed, those farmers who raise more than they consume, will be sensible of the consequences.

To obviate the objection that the bank absorbed the money which otherwise might be let for long terms, on bond and mortgage, which was a favorite plan with the farmers, Mr. Morris gave an analysis of the interests in the stock of the bank ; in which he stated the amount of stock to be, at that time, 870,400 dollars, consisting of 2176 shares, of which 285 shares, belonged to foreigners, most of which were

owned in Holland. From that country, notwithstanding the best is usual security had been offered, no loans on bond and mortgage had ever been obtained. Six hundred and six shares were owned in New-England, New-York, Delaware, New-Jersey and Virginia, subscribed for during the war, from patriotic motives. The funds thus raised, if not centred in the bank, would be withdrawn from the state. About fifty shares, amounting to 20,000 dollars only, were obtained in the state, out of the city. Of this, he thought it possible that a small part might be loaned on mortgage. The remaining 1,035 shares belonged to citizens of Philadelphia, principally commercial men, whose inducement was, to support an institution which afforded them accommodation and convenience by means of discounts. He then proceeded to

* * * With very few exceptions, we may say that not one dollar of this money would ever be lent out on bond and mortgage. There are very few of this class of stock-holders who do not stand in need of the whole of their money in the course of business; and when in need, they borrow occasionally, perhaps the whole [amount of their stock,] or more. It is upon these principles the merchants generally remain stock-hold-

ers:—when one does not want his money it is earning his share of the dividend from another ; and by thus clubbing a capital together, as it were, the occasional wants of all are supplied. But I am perfectly satisfied that none of these shares can be lent on bond and mortgage. Does it not therefore appear that this charge is as groundless as the others ?

Before the war, moneyed men were fond of lending upon bond and mortgage : it was a favorite practice ; was thought perfectly safe ; and enabled those who were advanced in years, to receive an income, so as to live at ease and quiet ; and I doubt not this practice might have been revived, had not the lenders suffered severely,—some in the whole, others in part ; and even those who have escaped loss are deterred from lending again, by the dread of paper money, and tender laws ; and so long as this dread continues, all hopes must be relinquished of borrowing upon bond and mortgage.

While the practice of lending upon bond and mortgage existed, there was another practice

which existed with it. The lenders were chiefly citizens, [inhabitants of the *city* ;] and for the convenience of collecting the interest on the day it fell due, they preferred lending to those citizens of Philadelphia who wanted to borrow ; so that the farmers, even in those days, could not obtain loans until the citizens were satisfied. Now, should the days of loaning return, the bank will prove useful to the country in that respect ; for by the temporary discounts which citizens obtain at the bank it is probable their wants will be supplied, and thereby their competition with the farmers prevented. I have known many a man formerly obliged to borrow money for twelve months, although he wanted it but for three, four, or six ; but the practice was to lend for twelve ; and the capitalists thought it too troublesome to lend for a shorter time. A certain rich citizen of Philadelphia, inimical to the bank, now taken and hugged to the bosoms of those who so warmly advocate the interests of the farmers, declares publicly, that he is an enemy to the institution, because he could pur-

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chase flour cheaper were it destroyed. From this declaration the farmers may form some judgment how far the bank is useless or injurious to them.

In effect the utility of the bank is experienced by every man in the state at some period or other. I have shown clearly it is useful to the farmer and miller. The mechanic also, derives his share of benefit from this institution. Punctuality in paying his workmen is of the greatest importance to the master, and absolutely necessary to the comfortable subsistence of the journeymen. The employer must have it in his power to make regular payments to the master mechanic, or he in his turn cannot be punctual. It has heretofore happened that those who built houses, or gave employment to various trades, have not had it in their power to pay punctually, according to their engagements. But in all such cases, on future occasions, relief may be found at the bank. The employer, giving his note to the master, their joint credit, if they are entitled to credit, will procure the sum

wanted by a discount at the bank. This observation must strike every mechanic at the first glance; and if he turns his attention to the subject, his own thoughts will point out various modes in which he may draw resources and conveniences from this institution. In short, the same reasoning will apply to every description of men that have any thing to do with money.

Is it possible then that we shall pursue measures for the destruction of an institution so useful? One would think that the first thing which offers itself to our consideration in the nature of a bank, would be sufficient to prevent the pursuit of such a measure. It is that a number of persons have placed in the care of the president and directors of the bank a sum of money for the express purpose of lending to those that want to borrow; and that this sum, those persons cannot draw out again, but it must remain for that use. Besides this, there is also a further sum constantly in the power of the directors which enables them to extend their loans beyond the capital or stock, and on which, part

of the profits of the bank arise. The integrity, punctuality and prudence of the president and directors have obtained such credit with the citizens of Philadelphia, that numbers of them deposit their money in the bank for safety and convenience. It is received and paid at their pleasure without expense or risk on the part of the depositor. And the sums so collected to a point, being considerable, the bank is enabled always to lend a part of the money so placed, as it is not in the nature of things that the depositors should all call for their money at one and the same time—consequently a part of the sum will answer the demands of the whole: and by this means, it must be seen, that sums of money are continually brought into circulation and use, that would otherwise be mouldering in the chests of those who would neither lend, nor use them, and that the bank by this credit, is enabled to extend its utility amongst those whose necessities, disappointments, interest or convenience incline them to borrow.

I have been told, out of doors, although it

has not been mentioned here—that the opposition to the bank is in part levelled at me personally. If any oppose it in that view, and suppose my interest would suffer from the annihilation of the bank, they are grossly mistaken. I am not stimulated by the consideration of private interest to stand forth in defence of the bank; for be assured, Sir, that if this be destroyed another shall arise out of its ashes, one that will be of great advantage to my interest and the interest of those who may join me in establishing it; nay—should I be disappointed in procuring such associates as I would choose in the undertaking, I will establish a bank, on my own capital, credit, and resources; and so far from doubting its success, I do not hesitate to pronounce that even my enemies, (and God knows I seem to have enough of them—at least political enemies—for I know of no other cause of their being so,) will deal with me and trust me, not that I expect they may like me better than now, *but they have confidence in me*, and for the sake

of their own interest and convenience they will deal with me. * * * * *

A member, in opposition to the renewal of the charter, had objected that information could not be obtained at the bank, on account of the "*secrecy* of the institution." Mr. Morris, in reply, observed ;

Herein he is much deceived : this secrecy relates to the state of accounts depending between individuals and the bank : and the necessity of this secrecy every one must see. I appeal to the feelings of all who hear me, whether they would choose the state of their accounts should become known to any but the officers of the bank, to whom they are confided ?

* * * * *

As superintendent of finance, I was entitled to receive daily a state of the accounts of the bank ; but neither the directors, nor myself, ever considered this as extending to the accounts of individuals ; and I never was made acquainted with any such matter. This is the only kind of secrecy, I apprehend, that it could be necessary for the president and directors to observe ; for

as to the state of their own affairs, that is, the affairs of the bank generally, I take it they would, whenever needful, or proper, explain them without hesitation. * * *

The member from Fayette, seems to charge me with claiming the merit of bringing about the revolution. In this, however, no part of my conduct will justify him. It is not my practice to claim merits which do not belong to me. It is true in defending myself from attacks which have been made, I have been obliged sometimes to mention services performed, and by so doing they are submitted to public investigation, and would be corrected if not truly stated. When I mentioned supplies of flour sent to Gen. Washington's camp, it was introduced to show the distresses of the times; however, I did not, as this gentleman was pleased to express himself, say it was sent at my expense, but that it was obtained upon my credit: neither has my vanity or folly prompted me to pretend that I established the independence of America. It is my glory to have had a share in it, and I am not ashamed

of the share which has fallen to my lot; I hope it will ever do me honor. * * *

The eleventh and thirteenth articles of the proposals for establishing the bank, published with my name thereto, are brought forward, by the member from Fayette to show that my sentiments are changed respecting the control of government over this institution. The clause subjecting the state of the bank accounts to the inspection of the superintendent of finance, was then excellent, because I was superintendent—but now, he remarks, I thank God, it is not under the control of government. I am still of opinion that the clause was excellent, and that it was useful.

The institution was framed under an expectation that the public moneys were to be placed there from time to time, and that it would derive advantage from the public funds passing through that channel. It was therefore judged proper for the bank to submit to such inspection, and necessary to create public confidence, —first because the public money being deposit-

ed there, the United States would by their officer know it was secure: and secondly, individuals having transactions with the bank, would think themselves safe, and believe in its stability while it enjoyed the confidence of government, and its proceedings were subject to such a check as the inspection of them by a public officer of high trust. These are the considerations that induced my approbation of those clauses then. But what is the case now. The United States have no longer a superintendent, and although they have a board of the treasury with the same powers, they have no funds in the bank; therefore no necessity exists for any examination into the state of that institution on their part; and with respect to individuals, it has fully acquired the necessary confidence; so that in neither case is this inspection necessary.

If indeed the state of Pennsylvania had thought of depositing money in the bank, the government might talk of control; and would have a right to make terms.

They might stipulate as a condition that the

treasurer of the State, or some other of their officers, should so far have inspection of the bank, as to know, before the treasurer, the collector of taxes, of imposts, of duties, of excise, should deposit public moneys there, that such deposits would be perfectly secure. * * *

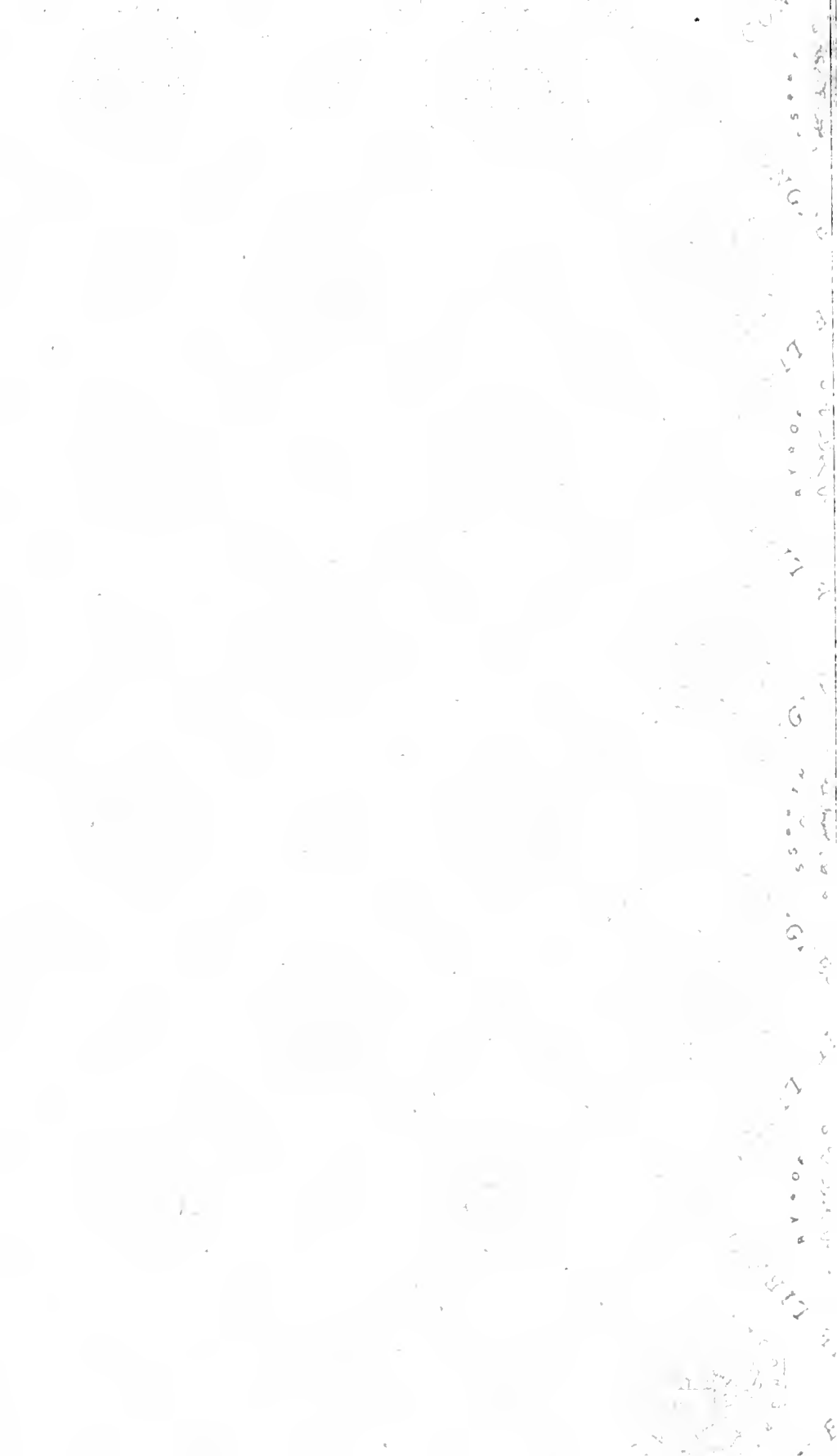
* * * This kind of connection between the government and the bank, would be very proper; but any subjection or dependence of the bank on government, would be inconsistent with its nature. The attempt then to prove any inconsistency in my opinion fails,—my present being perfectly consistent with my former opinions on this subject.

* * * * *

At the close of the debate, the house refused by a vote of forty-one to twenty-eight, to adopt the resolution recommended by the committee, in favor of the recharter of the bank. It was, however, rechartered for the term of fourteen years, by the next legislature, in 1787, restricting the capital to two millions. By successive renewals it has been continued to the present time.

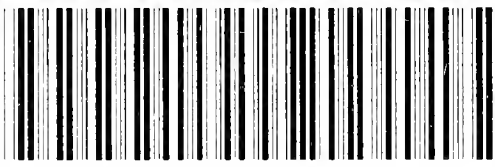
THE END.







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