

1839, and came by the "Great Western." True, you expressed a belief that a large amount of the bonds could not be sold. But this opinion was not heretofore accompanied with a declaration, that you had offered the bonds, naming a very reduced price without finding a purchaser. You dwelt much, in your former letters, on your unwillingness to sacrifice the state securities; and said this, as I thought, in a manner well calculated to produce the impression, that you could sell largely for 65, 70 or 75, if once satisfied there was a stern necessity for so doing. If you could once see that your attempts to keep the bonds out of the market must be futile. Feeling entirely confident that such a necessity would arise, it was my duty to urge you as I did to offer the bonds *actually* to some large house, for prices somewhat like those I have named; and if that had been done without success, in August last, I should feel, as now I never can feel, that there was no movement in our power to make, which could have guarded against a catastrophe, like that which now threatens us. I am still in hopes that you can explain, in such manner, the attempt to make a sale yesterday as to prevent its doing you much injury. In this country the proceeding will not affect injuriously my future operations. It is well understood here that I placed the bonds on terms highly advantageous to the canal company; and that sacrifices, if made, will fall upon the present holders, who need immediate means. In fact the offering of the bonds publicly, will have a beneficial effect upon my negotiations. They stood the test better than similar bonds of other states; and that has caused capitalists to enquire about their value. I have consequently reason to hope that I shall, before I leave this city, be able to dispose of all the 5 per cents hypothecated for debts, in this country, on terms highly advantageous. In that event your situation will be more comfortable. When the 5 per cents in this country are placed quietly, you will not have cause to apprehend their sacrifice here, so as to shake the credit of those you hold in Europe; and you may proceed to pay your old debts, and in a few months be prepared again to furnish aid to the canal company.

In the present aspect of affairs, I shall ask for nothing from you, except that you will take care to have paid the interest, on the first of January, and if possible aid the board of directors in the redemption of the canal scrip, which they have been compelled to issue, to pay the contractors on the line of the canal. We are about to circulate \$200,000 in canal scrip, dated Nov. 9, 1839, bearing an interest of six per cent. per annum, and payable six months after date. Canal notes of a like character will be issued to the amount of about \$80,000, on the 9th of December, and the same amount on the 9th of January next, founded on the bonds you hold, and in the full belief that you may be able to assist in their redemption at maturity.