

states, "that he has no knowledge of the rate of commission in New York in 1839: the rate of interest was from 1 to 2 per cent, when the loans were secured by the hypothecation of State stocks, other than stocks of the State of New York."

The committee had the testimony of other well-informed gentlemen on this point, all of which tended to the establishment of the same state of facts as the testimony quoted. It is for the house to determine whether under this state of circumstances it was possible for the company to have acted in the premises on better terms than they did. That the company did the best that could be done under the circumstances, is fully proved by the willingness of the Merchant's Bank of Baltimore to sell to the State at the same price at which it purchased the bonds, as is shown by the letter of Mr. Sprigg, the Cashier of that institution.

The money market of Europe was in the same condition, as is shown by the letters of George Peabody, Esq. the agent in London, of the company. In a letter addressed to the Hon. George C. Washington, the former President of the canal company, dated Loudon, 16th May, 1839, to be found among the documents of the last session, he holds the following language: "there have been no large sales of American securities; the great scarcity of money rather operating to prevent forced sales than otherwise. Could purchasers be found, there is a very large amount of stocks that would be sold far below the present nominal quotations."

"The late comparatively favorable accounts carried out by the "Great Western," induced several persons to come out in that vessel for the purpose of making money negotiations, one from Ohio, one from Illinois, and one from New York, are now here; but they cannot effect sales, unless at very low prices indeed. In fact, capitalists show no disposition to purchase American securities to any extent, *at the present time, on any terms.* This feeling has rendered hypothecations almost impracticable; and for the loans I have contracted for you falling due, I am called upon in every case, as the wants of parties here induce them to offer at the rate of 9 and 10 per cent for moneys for short periods, pledging stocks, say equally as Maryland, and with a margin of 20 to 30 per cent." In his letter of the 12th June, nine days after Mr. Thomas became President of the canal company, he says, "I have now to confirm all I expressed in the enclosed, and it is a source of much anxiety