

well as individuals, from issuing paper of any kind for circulation; and to get rid of the Rail Road orders, which the people are daily receiving in exchange for their property and labour.

These orders are fast reaching the point of depression, at which they will cease to be a currency; and it has been proposed to raise their value, by throwing upon the banks the responsibility of redeeming them. It is well to consider, whether the banks have a right to adopt the issues of the Rail Road Company, and what would be the effect of such an arrangement on the general currency of the State. They were authorised, by an act of last session, to receive and pay out these orders, which they could not previously do without violating the laws. But they were not authorised to adopt them as their own currency, or to become answerable for their redemption, or to make good the losses which might be sustained by their depreciation. If they have a right to use their funds in this manner for the purpose of raising the value of the Rail Road orders, they have equal authority to enter into an arrangement with the city of Philadelphia for redeeming the notes of the United States Bank.

But the banks could not assume the payment of the Rail Road orders, if they had a right to do it, without injuring their own credit, and increasing the difficulty of resuming specie payments. They are now unable or unwilling to redeem their own paper, reduced as it is in amount; and if they were to assume the payment of a million and a half of dollars, in addition to their present liabilities, it would be immediately suspected, that they were in a state of insolvency; and their own notes, instead of being at a discount of three or four per cent. would probably sink to the level of the Rail Road currency. It is contended, that the proposed arrangement, if carried into effect, would furnish the banks with the means of resuming specie payments, and give them the benefit of circulating the Rail Road certificates. The orders, however, if made equal in value to bank paper, would no longer supply the place of five and ten dollar bills; only a small portion of them would be required for change, and the rest would be returned to the banks. Whether they were kept in circulation or not, the liabilities of the banks would be increased in proportion to the amount assumed, while their additional means of meeting them would consist of unavailable stock. If the adoption of the Rail Road orders would enable the banks to resume, it would at the same time prevent the people from deriving any benefit from specie payments. They want a real resumption, that will bring specie into circulation;—not a nominal and deceptive one, that will enable the banks to evade their obligations.

The Rail Road orders were issued and received without the slightest expectation that the banks would ever be required to redeem them. The Rail Road Company entered into contracts, in July 1839, for the extension of their work from Harper's Ferry to Cumberland. They had previously consented to receive city stock