

MEMORIAL

OF

CERTAIN CITIZENS OF SALEM, MASSACHUSETTS,

Praying to be allowed a charter for a Banking Institution, to take effect at the expiration of the present charter of the Bank of the United States.

JANUARY 30, 1832.

Referred to the Select Committee on the memorial of the Bank of the United States, and ordered to be printed.

To the Honorable the Senate and House of Representatives of the United States of America in Congress assembled.

The undersigned, citizens of Massachusetts, understanding that the Bank of the United States has petitioned Congress for a renewal of its charter, take this occasion of respectfully presenting their claims for a banking privilege, somewhat similar to the present one, to your consideration. It is not the desire of the petitioners to invade, in any manner, the legal rights of the present corporation, but simply to ask for a banking privilege to commence when the charter of the present corporation shall have expired. They are unable to discern any just grounds for the claims of the bank to a continuance of its privileges, to the exclusion of the public generally, and particularly of the generation, embracing many of your petitioners, which has come upon the stage of active life since its charter was originally granted. By reference to the last triennial report of the bank, it appears that there are only 4,145 stockholders, four hundred and sixty-six of whom are foreigners, owning \$7,915,900, or a little more than one quarter part of the \$28,000,000 of the private subscriptions. The claim of these foreigners for a renewal of this important and valuable privilege ought not, in the opinion of your memorialists, to come in competition with the claims of resident citizens for a similar privilege. There remain, after deducting the foreign stockholders, 3,679 resident stockholders; being, to our whole population, less than as one to three thousand five hundred and thirty-three citizens. Of these 3,679 resident stockholders, 1,410 hold from one to ten shares each, amounting to but \$812,300; 1,455 hold from ten to fifty shares each, amounting to \$3,789,300, leaving \$15,482,500 in the hands of 814 individuals, who, it thus appears, own, on an average, about nineteen thousand dollars each; showing \$23,398,400 of the \$28,000,000 of private stock to be

n the hands of foreigners and rich residents, and leaving only \$4,601,600 in the hands of the middling classes of society.

Your memorialists are unable to perceive the peculiar claim that this small number of wealthy individuals have over your memorialists, or the rest of their fellow-citizens generally, to the renewal of a privilege, which they will have enjoyed for twenty years. Your memorialists, therefore, respectfully request Congress to grant to them, their associates and successors, a banking corporation; to take effect immediately on the termination of the present charter, and to endure for twenty years thereafter, on the following terms, or on such other reasonable conditions as may seem meet.

The capital to consist of fifty millions of dollars; any sum less than one half the whole amount to be subscribed by the Government; the residue by individuals and corporations. The subscription books to be open to all the citizens, and if more than the capital be subscribed, the stock to be apportioned equitably among the subscribers by commissioners to be appointed for that purpose. The directors to be chosen by the stockholders, the Government reserving the right to appoint its own, in the ratio its stock shall bear to the whole stock of the bank.

The corporation to pay annually into the National Treasury, as a bonus for its privilege, one per cent. upon the amount of its capital; and also to pay to the States in which its branches may be established, such tax as said States respectively may impose, not exceeding the tax they impose on their own banking institutions, nor exceeding one per cent. annually upon the capital actually employed by the branches in said States. The proposed corporation to be possessed of all the rights and privileges, with the foregoing exceptions, enjoyed by the present bank, and to be subject to all the duties, to perform all the services for the Government, and to be under the like restraint and liabilities, as the present corporation.

Many of the undersigned have been long and somewhat familiarly acquainted with banking operations in this State, and hence, speaking from experience, they feel the greater confidence in the utility of this plan, and in presenting their claims to your consideration.

A charter granted at this early period, to take effect at the expiration of the present charter, would enable the stockholders to organize the new corporation and commence operations the moment the present charter terminates, and thus prevent the Government and the public from experiencing *any* fiscal embarrassment by the change. They do not, however, apprehend the inconvenience to the public from the winding up of the concerns of the present corporation which its stockholders seem to anticipate. The withdrawal of the branch of the United States' Bank from this State would hardly be felt. Its capital is only \$1,500,000, while the banking capital of this State is little short of \$22,000,000, and that of New England is equal to the whole capital of the United States' Bank; and the bills of these different banking institutions are of uniform value, and equivalent to specie in every part of New England. The banking capital of the State of New York is upwards of 24,000,000 of dollars, and under her safety-fund system, her banks are believed to be as sound and secure as any in the world. The capital of the Bank of the United States bears but a small proportion to the whole bankig capital of the country, and a still smaller proportion to the available capital of our citizens; and hence, in changing its course of circulation, by closing its concerns, the effect on the money market would hardly be perceptible, and but momentary at most.

Your petitioners wish to be understood, in offering this memorial, as only intending to present their claims to your consideration in a question, on which, from a perusal of the Congressional Journal, they presume the National Legislature have already considered it proper to act. Their plan and claims, which they have stated thus frankly and distinctly, they respectfully, but most earnestly, press upon the attention and justice of Congress.

SALEM, January 24, 1832.

John Forrester,
Geo. Peabody,
William Stickney,
David Pingree,
Willard Pute,
V. W. Rogers,
Jos. S. Cabot,
Benj. W. Stone,
John C. Lee,
Ephraim Emmerton,
Nathn. Endicott,
Robert Brookhouse,
N. Weston,
Edw. Stanly,
Jno. Frost,
Joel Bowke,
David Moore,
Tho. P. Bancroft,
Tucker Daland
Ben. Merrill,

Joseph W. Peabody,
John Daland,
Nathaniel West,
By Nath. West, jr.
M. Townsend,
Joseph Beadle,
Stephen Phillips,
Tho. Saunders,
J. G. Sprague,
Wm. H. Foster,
Eben. Putnam,
Peter E. Webster,
John Russell,
Arch. Rea,
Gamaliel Rodgers,
Pier. L. Wigin,
Benjamin Tucker,
John Moriarty
William Duncan.

