ng passages are cited from Sir Adam Smith and Montefiore. Smith's Wealth of Nations, vol. 1, page 369 to 372.—"The commerce of Scotland, which at present is not very great, was still more inconsiderable when the two first bank-companies were established, and those companies would have had but very little trade, had they confined their business to discounting bills of exchange; they invented, therefore, another method of issuing their promissory notes, by granting what they called cash Accounts; that is, by giving credit to the extent of a certain sum, (two or three thousand pounds for example,) to any individual who could procure two persons of undoubted credit, and good *landed* estate, to become security for him, that whatever money should be adanced to him, within the sum for which the credit had been given, should be repaid on demand, together with legal interest; credits of this kind are, I believe, commonly granted by banks and bankers in all the different parts of the world, but the easy terms on which the Scotch banking companies accept of repayment, are so far as I know, peculiar to them, and have been, perhaps, the principal cause both of the great trade of those companies, and the benefit which the country has received from it. Whoever has a credit of this kind with one of the companies, and borrows a thousand pounds upon it, for example, may repay this sum piece-meal, by twenty or thirty pounds at a time, the company discounting a proportionate part of the interest, &c. *All merchants, therefore, and almost all men of business*, find it convenient to keep such accounts with them, and are thereby interested to promote the trade of those companies, by readily receiving their notes in all payments, and encouraging all those with whom they have any influence to do the same, &c. &c. And thus *almost the whole money business of the country* is transacted by means of them; hence the great trade of those companies." Montefiore, vol. I. p. 235, 236, (American edition,) speaking of the bank of Scotland, remarks, that the bank of Edinburgh is conducted on precisely the same principles, and continues to observe, "the shares are only £.83 6 8 sterling each, but from the flourishing state of its affairs, they usually sell for nearly double that sum. Any person, (he adds,) may deposite money here at the rate of four per cent. if to lie for four months, or three per cent, if to be drawn on demand. Another species of transaction peculiar to this, and the other Scotch banks, is, that the directors grant credits from £.200 to £.1000, principally to persons engaged in trade, *agriculture* and manufactories, on their giving bond, with approved security. On this a cash account is opened with the party to whom credit is given, who may draw or pay in any sum, not under twenty pounds, paying interest on what he owes at the rate of five per cent. Every half year accounts are adjusted, and although there are thousands of these cash credits, so careful is the bank of the securities they take, there is hardly ever an instance of any loss. These credits have been of incalculable benefit to the country, and they are now dispersed all through Scotland, there being no less than *twenty four* different branches of the bank in the principles towns of that part of the kingdom."

These decisive examples from England and Scotland have not escaped our clear sighted neighbours of the northern states; among their numerous and increasing banks, most of them extend their aid to the agricultural interest, and some are established to lend exclusively on landed security, particularly one in Boston, and one in New York. See Montedore on Banks. *Sub. fine.*

The objection that the nature of bank accommodations, limited to sixty days is not calculated to serve, and may ruin planters and farmers, will be found, on examination, to be equally destitute of foundation. Farmers have not been injured in England or Scotland, but on the contrary have been highly benefited by bank accommodations, as we have observed from the best authority, and it would be difficult to discover what can distinguish the agricultural interest of those countries from that of our own. Were these accommodations really to cease at the end of sixty days, still they might frequently prove beneficial; for in no country on earth is the nature of the cultivation so well adapted to temporary loans: crops come twice a year, the tobacco from March till May, and the wheat from September to Nov.; in the intervals, frequent occasions occur when a farmer or planter could borrow to convenience and profit, and repay with much more certainty than a merchant, who depends upon the safe return of a ship and cargo employed in foreign commerce. But it is a fact well known, that these accommodations, although nominally limited to sixty days yet are in reality seldom discontinued, where the security is undoubted, and the borrowers are industrious and thriving; but on the contrary, are renewed as long as customers may require, unless the bank is obliged to curtail its discounts, in which case timely notice is usually given.—Instead of merchants paying up their accommodations at the end of sixty days, it is a fact that will not be denied, that most of them renew, during their continuance in trade; and it cannot be supposed, that a bank established from the accommodation of the landed interest, would subject its safe customers to more inconvenient conditions than are imposed on merchants in mercantile banks.

To render the institution as convenient as possible to land holders, and to avoid the necessity of providing endorsers in town, as the present banks require, the law provides for the appointment of a director in each county, who may give the necessary information respecting the circumstances of country drawers and endorsers; and finally, to remove the very ground of this objection, the principle of Cash Accounts has been introduced into the establishment with all the latitude, and agreeably to the improvements, made by the banks of Scotland, as they have been just stated on the authority of Smith and Montefiore. Loans will therefore be granted on open accounts, to be settled every six months, but renewable at discretion, and repayable in small sums, each repayment stopping a proportionable part of the interest; this process will be attended with these important advantages, *that where payments are made by checks on the bank*, receipts that can be legally authenticated will be preserved at the expence of the institution, of which the planter and farmer may avail themselves without risk or trouble, and that the present serious danger of counterfeit notes will be wholly avoided. Such are the advantages resulting to individuals, but the benefit to the institution is still greater; as it will in a great degree, diminish the number, it will prevent the overloading circulation with notes, and their consequent return on the bank to be exchanged for specie. The usual process will be thus: A. has a cash acccount at bank, and owes B. a sum of money, for which he gives him a check. B. will find that the money is more safe, and nearly as convenient, when lodged in the bank, as in his own chest; and as a check on the bank will generally answer all the purposes of money or notes, he will perceive it to be his interest, instead of drawing the money, to have a cash account opened in his favour, on which the draught of A. is passed to his credit. He then may draw in favour of C. or D. as his occasions require, and C. or D. will find it equally their interest to act in the same manner. When therefore a number of men of business have cash accounts at bank, it will necessarily follow, that notes will seldom be issued to them, and the purposes of those customers will generally be answered, and their mutual payments made, by debitting one and crediting the other, on the books of the bank, without the advance of a shilling, either in notes or specie, and yet the bank will draw an interest on the full amount of all those transactions. It is this process that has produced such wonderful advantages from the Scotch banks, without exposing them to injury, or even hazard, as has just been just stated.

In addition to cash accounts, there is another provision introduced by the law, which distinguishes this institution from any other bank hitherto established in America, and which is peculiarly calculated to promote the interest and convenience of planters and farmers; that is, receiving deposites of money, and paying an interest on them of four per cent. if for six months certain, and three per cent. if to be returned on demand.—It has been found by experience, that the bank of Edinburgh, the most solid and flourishing perhaps in Europe, can well afford to pay this interest on deposites, although they receive but five per cent. legal interest on their loans; the profits of this institution, on such transactions, must necessarily be mroe considerable, as their loans will yield a legal interest of six instead of five percent. and yet to individuals, the Farmers Bank offers the advantage of being the only institution of the kind in America that allows any interest at all on deposites. The great benefit those engaged in agriculture will derive from this provision consists in this, that it will afford them a moderate annual profit on money that would otherwise be dead on their hands, and that it will give a steady value to land, by increasing the number of purchasers. It is well known that a considerable time must elapse before a planter or farmer can raise a sum sufficient to purchase a tract of land, and when he has raised the money, the land he wants may not be in the market, and he must take time before he can procure such land as will suit him; during the whole term therefore requisite to raise and collect the sum, and to effectuate the purchase, the money must lie idle, for if he risks keeping it at home, or deposites it in some other bank for safety, it will yield him no interest whatever, but he lends it to an individual, or vests it in some stock, so as to draw an interest from it, he can no longer command the principal when an opportunity offers of making the purchase he wishes. The Farmers Bank, therefore, which will receive the money on deposite, allow a moderate interest for its use, and return it at the moment it may be wanted, is precisely the institution that will suit the landed interest.

But it has been rather objected, that farmers and planters are so deficient in punctuality that they connot be relied on as customers of a bank. General reflections, when fairly examined, almost invariably prove unjust. It is not expected that all farmrs and planters are to be credited at the bank. A bank is intended to promote industry, not to encourage extravagance. Those who are worthy of credit, it is presumed, will only be credited, and that their are a sufficient number of such characters among the planters and farmers of Maryland, who would be customers of the bank, cannot rationally be doubted.—The authors before cited do not make any complaint of a want of punctuality in the agricultural interest of England or Scotland; on the contrary, it will be recollected that they give a decided preference to landed customers; and why should it be supposed that the planters and farmers of Maryland, as a body, are less honest than those of England, Scotland, or any other country whatever? Promptitude and punctuality in payments depend more on the aid and facilities afforded by monied institutions, than on the moral qualities of any class or description of persons; but it has always been believed, and it will be found true, that the pursuits of agriculture are more favourable to morals than the occupation of buying and selling, and living by the gain. Let the landholders be provided with the same means, and make it equally their interest to be punctual, by rendering punctuality indespensable to future accommodations, and no candid mind can suppose, that the American farmer or planter will yield to the European landholder, or American merchant, in either integrity or punctuality.

There is but one other objection, now recollected, that remains to be replied to, which is that the Farmer Bank would be more liable to runs for specie, and being without foreign commerce to supply it, would consequently be more liable to failure. This position is unfounded in all its parts. Specie will always be commanded whilst the produce of the country can command the notes of any bank. The risk of failure can therefore only depend on the quantity of notes the bank may issue in proportion to its capital and deposites. The provisions in this institution for transacting its business by cash accounts, and giving an interests on deposites, will render it morally impossible that an over proportion of its notes can be at any time in circulation. But exclusive of this consideration, the customers of the Farmers Bank will be generally, persons who will employ their loans in internal exchange, by which they will be in a manner absorbed. On the contrary, the mercantile banks loan to merchants employed in the India, or other trades, that require gold or silver; such customers will naturally resort for speice to the banks whose notes they are thus possessed of, and the operations of trade do not admit of the delay requisite to exchange them for the notes of other banks. In fact, individuals can seldom collect a sufficient quantity of the notes of any one bank to make a dangerous run. This can only be done by some other institution, and whilst a jealousy of all paper currency exists, that will long continue in America, the directors of no bank will be so rash as to risk a serious injury to any similar establishment. The credit of all bank notes is so much interwoven, that the failure of one bank will for a number of years endanger that of all others. But if such an attempt should be made the directors of the Farmers Bank will not be asleep, and it will be certainly easy for them to retort on any other establishment, provided as they will be with active agents in every county, in the county directors, and with customers spread all over the state, who will know that their discounts must be curtailed or stopped if the necessities of the bank require it; how easy would it be to change their notes for the more numerous notes of other banks, always floating in circulation.]

A candid review of the principles of the Farmers Bank will, (it is sincerely believed,) satisfy the public mind, that no possible injury can result from its establishment to any place, or description of persons but that, on the contrary, as far as human foresight can be trusted, it is calculated to produce all the benefits to the public and individuals that can be expected from the institution of any bank whatever.

London, March 3.

The Revolutionaire frigate, which arrived at Portsmouth on Monday se'nnight from New York, performed the voyage in sixteen days, which is the quickest passage ever made; she run from 200 to 260 miles every day. The Revolutionaire was waiting three months for the French frigate to come out of Hampton Roads, which is to convoy Jerome Bonaparte and lady to France The Cambrian frigate, capt Beresford relieved her. Captain Bradley, formerly Commander of the Cambaian, came passenger in the Revolutionaire, which has brought home 200,000 dollars.

Loss of the ship China.

The ship sailed from Batavia the 9th of December, with a cargo of sugar and coffee, worth not less than 500,000 dollars. On Sunday, the 21st ult. they took a pilot on board, and at eleven o'clock that night, she struck on the five fathom bank, about five leagues from our capes—she soon carried away her rudder, towards morning she drifted off, and they let go an anchor, but when hoisting the anchor it broke, and the wind coming on at N. W. she drove on the bank again, where about three o'clock on Monday she bilged, and soon had five or six feet water in her hold; by this time they had several pilot boats along side, when they removed whatever they could of their baggage and cargo to the amount of about 700 bags of coffee on board the pilot boats. She was got off no less than three times, and as often drove on again, when it coming on to blow a gale, on Wednesday morning, the pilot boats with the crew were obliged to leave her —A person who was in the last boat that left her on Wednesday at 12 o'clock says she was then off and drifting towards the main. By the account of this person, it is most probable, her sails, rigging and some other matters may be saved should the weather continue moderate.

The United States has been unfortunate in the loss of ships from Batavia in last season; this being the fourth, within six or eight months, viz. the Samuel Smith and Canton, of and for Baltimore,; the Maryland, for New-York, and the China, of and for this port.—To these we may add also, the capture of the Manhattan, for New-York, taken by the British, as a loss in part, for should she be cleared the detention and expence will no doubt be very heavy. It is conjectured that the loss sustained by those concerned in the above five vessels will be little short of two millions of dollars, and to the revenue of the United States, had they arrived safe they would have added between 2 and 300,000 dollars.—

Phil. Gaz.

From a London paper of March 5.

FRENCH NAVAL FORCE.

We have been favored with the following, statement of the present naval force of France, by a gentleman who procured it from an officer of one of the French gun boats which were last week brought into Falmouth.

At Brest. (a)			
Ships.	*Guns.*	*Ships.*	*Guns*
Le Vengeur,	120	Le Pheron,	74
Le Re Publican,	110	And one frigate.	
L'Invincible,	110	*At L'Orient.*	
L'Alexandre,	80	L'Aigezires,	74
Le Foudroyant,	80	*Building.*	
L'Impetueux,	74	Le Regulus,	74
Le Brutus,	74	Le Courageux,	74
Le Castor,	74	L'Alcide,	74
Le Veteran,	74	and one frigate	
Le Pelago,	74	*At Rochefort. (b)*	
Le Conquerant,	74	Le Majestueux,	120
L'Ulysse,	74	Le Magnanime,	80
Le Courville,	74	Le Suffrein,	74
L'Eole,	74	Le Lion,	74
La Revolution,	74	Le Gemappe,	74
Le Dix d'Aout.	74	*Frigates:*	
La Constitution,	74	L'Armide,	18
L'Alliance,	74	La Gloire,	18
Le Batave,	74	L'Indatatigable,	24
Le Patriote,	74	*Building.*	
Le Gaulois,	74	La Ville de Paris,	12.
At Toulon.		L'Achille,	74
Le Formidable,	80	L'Ajax,	74
L'Indomptable,	80	*At Nantz.*	
Le Neptuns,	80	Le President,	18
Le Bucentaure,	80	*At Cadix.*	
L'Hannibal,	74	L'Aigle,	74
Swittiure,	74	*In India.*	
Berwick,	74	Le Marengo,	74
Intrepide,	74	*Frigates.*	
Le Mont Blanc,	74	La Belle Poule,	—
Le Scission,	74	La Semillante,	—
L'Atlas.	74	&c. &c.	
Frigates.		*In America, (c)*	
L'Incompatible,	24	La Sibelle,	—
La Corneille,	18	La Didon,	—
L Honteuse,	18	La Milanaise,	—
Le Rhin,	18	*At Ferrol.*	
La Muffron,	18	Le Heron,	74
L'Uranie,	18	Le Duguay Troin,	74
La Sirene,	12	Le Redoubtable,	74
Le Themis,	12	Le Fougneux,	74
Building.		L'Argonaute,	74
Le Bornee,	74	*Frigate.*	
		La Guerriere,	42

(a) None of the frigates at Brest are enumerated.

(b) The Rochefort fleet are in the West Indies.

(c) The Sibelle and Didon have arrived in France.

LAWS OF THE UNITED STATES.

(BY AUTHORITY.)

AN ACT

Further providing for the government of the territory of Orleans.

Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, That the President of the United States be, and he is hereby authorised to establish within the territory of Orleans, a government in all respects similar (except as is herein otherwise provided) to that now exercised in the Mississippi territory, and shall in the recess of the Senate, but to be nominated at their next meeting, for their advice and consent, appoint all the officers necessary therein in conformity, with the ordinance of Congress, made on the thirteenth day of July, one thousand seven hundred and eighty-seven, and that from and after the establishment of the said government, the inhabitants of the territory of Orleans, shall be entitled to, and enjoy all the rights, privileges and advantages secured by the said ordinance, and now enjoyed by the people of the Mississippi territory.

Sec. 2. *And be it further enacted*, That so much of the said ordinance of Congress, as relates to the organization of a general assembly, and prescribes the powers thereof, shall from and after the fourth day of July next be in force in the said territory of Orleans; and in order to carry the same into operation the governor of the said territory shall cause to be elected twenty five representatives, for which purpose he shall lay off the said territory into convenient election districts, on or before the first Monday of October next, and give due notice thereof throughout the same; and shall appoint the most convenient time and place within each of the said districts, for holding the election: and shall nominate a proper officer or officers, to preside at and conduct the same, and to return to him the names of the persons who may have been duly elected.—All subsequent elections shall be regulated by the legislature; and the number of representatives shall be determined, and the apportionment made in the manner prescribed by the said ordinance.

Sec. 3. *And be it further enacted*, That the representatives to be chosen as aforesaid, shall be convened by the governor, in the city of Orleans, on the first Monday in November next. And the general assembly shall meet, at least once in every year, and such meeting shall be on the first Monday in December, annually unless they shall, by law, appoint a different day. Neither house, during the session, shall without the consent of the other adjourn for more than three days, nor to any other place than that in which the two branches are sitting.

Sec. 4. *And be it further enacted*, That the laws in force in the said territory, at the commencement of this act, and not inconsistent with the provisions thereof, shall continue in force, until altered, modified or repealed by the legislature.

Sec. 5. *And be it further enacted*, That the second paragraph of the said ordinance, which regulates the descent and distribution, of estates; and also the sixth article of compact, which is annexed, to and makes part of said ordinance, are hereby declared not to extend to, but are excluded from all operation within the said territory of Orleans.

Sec. 6. *And be it further enacted*, That the governor, secratary and judges to be appointed by virtue of this act, shall be severally allowed the same compensation which is now allowed to the governor, secretary and judges of the territory of Orleans. And all the additional officers authorised by this act, shall respectively receive the same compensation for their services, as are by law established for similar offices in the Mississippi territory, to be paid quarter yearly out of the revenues of import and tonnage, accruing within the said territory of Orleans.

Sec. 7. *And be it further enacted*, That whenever it shall be ascertained by an actual census, or enumeration of the inhabitants of the territory of Orleans taken, by proper authority, that the number of free inhabitants included therein shall amount to sixty thousand, they shall thereupon be authorised to form for themselves a constitution and state government, and be admitted into the Union, upon the footing of the original states, in all respects whatever, conformably to the provisions of the third article of the treaty, concluded at Paris on the thirteenth day of April, one thousand eight hundred and three, between the U. States, and the French republic: *Provided*, That the constitution so to be established shall be republican, and not inconsistent with the constitution of the U. States, nor inconsistent with the ordinance of the late Congress, passed the thirteenth day of July, one thousand seven hundred and eighty seven, so far as the same is made applicable to the territorial government hereby authorised to be established: *Provided however*, That Congress shall be at liberty at any time prior to the admission of the inhabitants of the said territory, to the right of a separate state, to alter the boundaries therein, as they may judge proper:—*Except only*, That no alteration shall be made, which shall procrastinate the period for the admission of the inhabitants thereof, to the rights of a state government, according to the provision of this act.

Sec. 8. *And be it further enacted*, That so much of an act, entitled "An act erecting Louisiana into two territories, and providing for the temporary government thereof," as is repugnant with this act, shall from and after the first Monday of November next, be repealed.—And the residue of the said act shall continue in full force until repealed, anything in the sixteenth section of the said act to the contrary notwithstanding.

NATHL. MACON,
Speaker of the House of Representatives

A. BURR,
Vice President of the United States, and President of the Senate.

March 2, 1805.

APPROVED,

TH: JEFFERSON.