April 3, 1837.

AVAILABLE MEANS.

Bills discounted	$1,563,274 11
Bills of exchange	1,496,241 66
Gold and silver	566,445 86
Notes of other banks	85,021 00
Other banks	610,551 38
	4,321,534 01

LIABILITIES.

Notes in circulation	$1,748,305 00
Board of canal commissioners	297,112 58
State of Illinois	273,892 04
Other banks	75,258 94
Individual depositors	310,051 36
Capital stock	1,513,980 00
	4,218,590 92

April 2, 1838.

AVAILABLE MEANS.

Bills discounted	$3,168,743 98
Bills of exchange	515,900 88
Gold and silver	552,263 06
Notes of other banks	159,780 00
Other banks	252,824 26
State of Illinois	19,233 70
Board of canal commissioners	14,009 10
State stocks	2,290,000 00
	6,872,754 98

LIABILITIES.

Notes in circulation	$1,808,280 00
Canal commissioners	160,031 34
Fund commissioners	487,488 65
Canal fund	210,000 00
Other banks	315,298 82
Individual depositors	156,464 31
Capital stock	3,515,240 00
	6,652,803 12

From this statement it appears, that during the first year of the bank suspension the amount of circulation was increased, and the specie dimin-

ished, and that the bank nearly doubled her discounts. It also appears that in April, 1838, the means really available did not exceed one million and a half of dollars, in which was included about $300,000 of debts and notes of suspended banks. The State stocks at that time were unsaleable, and the bills discounted were authorized to be paid in instalments of 10 per cent. by citizens of this State, by the provisions of a law passed at the special session of 1837. With only that small amount of available means, the bank had upwards of three millions of liabilities exclusive of the capital stock. It appears from this view that the condition of the institution was worse at that time than it was previous to the suspension, and that they had increased their issues without any basis to warrant such increase but the possession of State bonds, which necessarily depreciated in the market immediately after the suspension. No reasonable man could expect, that, with such a proceeding, the bank could be able to maintain a permanent resumption in the fall of 1838. Let us now analyze its condition during the suspension of 1839 and 1840:

October 1, 1839.

RESOURCES.

Bills discounted	$2,793,764 15
Bills of exchange	774,554 41
Specie	551,088 20
Notes of other banks	151,584 00
Other banks	400,604 83
Canal commissioners	182,314 63
State of Illinois	137,856 10
	3,762,093 56
Add to this the capital stock	3,644,655 00
	7,406,748 56

From this statement it appears that the resources and liabilities were nearly equal. We must, however, deduct from the above amount of resources the suspended debt at that period, which, according to a report made to the legislature of 1839 and '40, was $921,461 19

This was included in the item of bills discounted above.

Also deduct the debts due from other banks, as they are principally, if not wholly, suspended 400,604 83

Debt due from the State of Illinois, not available 137,856 10

1,459,922 12

From resources $7,477,516 32

Deduct suspended debt due from other banks, and from the State of Illinois, not available 1,459,922 12

6,017,594 20

This is the amount of the available means, provided the bills discounted, after deducting the suspended debt, could be regarded as available. This, however, is not the case, because, by an act of the legislature, residents of this State were allowed to renew their notes by paying instalments of ten per cent., of which they certainly availed themselves. The liabilities, therefore, on the 1st day of October, 1839, may be set down at $7,406,748 56
Resources as above 6,017,594 20

Leaving a deficit of 1,389,154 36

The State bonds, amounting to about two and a half millions, could not be considered as available, from the fact that the cashier of the bank testified before the select committee above mentioned that they could not be disposed of without a sacrifice ruinous to the institution.

With such a state of affairs at the time of the suspension, the most prudent course of policy was to be expected in their future operations.

Now let us look at its condition December 7, 1840:

RESOURCES.

Bills discounted	$1,693,693 34
Bills of exchange	519,874 52
Specie	540,934 88
Notes of other banks	186,400 00
Due from other banks	959,413 00
State of Illinois	195,811 42
Fund commissioner	50,096 42
	4,146,223 63
Add to this State stocks amounting to	2,081,676 59
	6,227,900 22

LIABILITIES.

Notes in circulation	$3,215,710 00
Canal commissioners	17,031 34
Other banks	236,585 79
Individual depositors	105,223 00
	3,574,550 13
Add to this the capital stock	3,646,125 00
	7,220,675 13

This leaves a deficit of nearly one million of dollars on the 7th of December, 1840, even supposing all the above mentioned resources were available; but this is not the fact. From the item of bills discounted deduct the suspended debt, which is included, and we have $1,030,881 50, which may possibly be available.

Then the notes of other banks, and the debts due by other banks, together make an aggregate of $1,145,813, which, as long as these banks continue suspended, cannot to any considerable extent be regarded as available.

The debts due from the State and the fund commissioner are in the same predicament.

Then we have available means:

Bills discounted	$1,080,881 50
Specie	540,934 88
Bills of exchange	519,874 52
Add one-half the amount due from other banks, which may be available, say	500,000 00
	2,591,690 95
Add to this the State stocks, even at their par value	2,081,676 59
Whole means	4,673,367 54

while the liabilities amount to about seven millions.

It appears, also, that the circulation was increased in the amount of $600,000, while the amount of specie was diminished; that large debts with suspended banks were created, and that the condition of the institution is much worse now than it was at the time of the suspension of 1839.

From a consideration of all these circumstances, your committee entirely concur with the directors in the opinion expressed in their memorial, viz.: "That the effort to sustain specie payments for a year, while all of the neighboring banks are suspended, must, even if successful, produce consequences of the greatest moment to the bank."

With more than $1,000,000 due from suspended banks and bankers, more than two millions of unproductive State stocks, near $700,000 of suspended debt, together with all the other doubtful avails before mentioned, it is more than probable that a continuance of specie payments is impracticable. Your committee cannot, therefore, perceive on what reasonable grounds the directors could make the following declaration, viz.: "Our bank has, even since the suspension in October, 1839, been pursuing the course necessary to put it in a situation to resume with the other banks, and sustain itself; and its business has been brought to a condition which we think will not require any further curtailment of the debt due, it to enable it to sustain itself in paying specie, when it shall be supported by the surrounding banks."

The connexion between the different banks of the Union, set forth in the memorial as a plea for their suspension, and the implied dependance of each on the action of others, should awaken anxious solicitude in the mind of every patriot and moralist.

But although we are constrained to acknowledge that

"All are but parts of one stupendous whole,
Whose body is avarice, without a soul;"

and although we are aware that this system has acquired a distinct and more than co-ordinate power in the government; and although the failure or defalcation of any of them may produce among the other members more or less derangement; yet we cannot, by any principle of morality or reason, justify any man or corporation in refusing to pay just debts merely,