

EUROPE.

ENGLAND.

NEGOTIATIONS WITH THE BANK OF ENGLAND.

(From the London Times.)

Last year, about this time, when the committee on the Bank question was appointed, and even after the publication of its report, vague and indefinite anticipations were formed of the immense changes in our monetary system to which it might lead, and of the extraordinary pecuniary savings to the public which it might secure. The evils of the former conduct of the Bank, since 1797, were so great and so palpable, that they could not be denied by its friends, and could scarcely be exaggerated by its enemies. It was therefore expected that some grand experiment must be tried, or some striking revolution effected, to guard against their recurrence; and it was not till after an effervescence of several months that the public mind was calmed, and the ideas of the people fixed down to something like sober calculation. But if such extravagant expectations are now thought impossible to be realized by the most sanguine, probably the proposed change described by Lord Althorp is too limited for the most cautious.

Though the particular occasion of renewing the Bank Charter was appropriately adopted for a general inquiry into the state of our paper currency, and the conduct of the country Banks, it must be admitted that the only part of that inquiry in which the Bank of England was concerned related to the question, whether it was to retain the exclusive paper circulation of London and its vicinity within a circle drawn at the distance of 65 miles around it, and whether there was to be any change in the regulation of its issues or any deduction from its profits for managing the Government business. All the other portions of its exclusive privileges had been abandoned, though reluctantly, in 1826, with the exception of the right to which it still clung, of preventing joint-stock banks beyond the magic circumference from drawing bills of exchange for sums less than 50*l.*, or making their promissory note payable in the metropolis.

If it was thought advisable that this monopoly of the London circulation should be withdrawn from one great private establishment, then another question of the greatest importance occurred in which the country was as much interested as the Bank—namely, whether the Government should establish a national bank on the plan recommended by Mr. Ricardo, Mr. Joplin, or others; or permit the establishment of as many joint stock banks of issue in the metropolis as chose to start up to contest the profits of supplying us with their notes.

It is plain to those who have bestowed the slightest reflection on the subject, that if the former part of the alternative had been adopted, it would have rendered necessary a change in the whole system of our circulation,—that would have been little short of an absurdity to have formed a Government banking institution, without giving it the exclusive supply of the country as well as the metropolis,—that there would have been only one bank of issue, as there is only one mint for the whole of the kingdom,—and that all provincial notes as well as those of the parent establishment, must have been withdrawn. In this case, all the interest on notes now issued by private banks would have been secured to the public. Private speculators would no more be allowed to issue paper money than to coin the precious metals, and all the profits and risks of a mighty and untied experiment would have been enjoyed or incurred by the nation. Without undervaluing the merits of this magnificent project, or denying the force of the arguments by which its authors have supported it, we must confess that in our view it is liable to many objections, some of which were well stated by Lord Althorp, and that we would rather incur the loss of the interest and profits made on national banking, than hazard the experiment of a national bank.

The other alternative of dispensing with one privileged central bank, and permitting the erection of numerous private joint stock banks of issue in the metropolis, never appeared to us to possess advantages equal to its risks. The nation, on this supposition, could gain nothing but by the amount of bank notes in circulation any more than at present, as all the issues would be for private profit, while the hazard of excessive issues, and consequent fluctuations and panics, would be inevitably increased. The example of Scotland, and the result of the operations of the clearing house in London, can by no means satisfy a prudent Legislator that the experiment would be safe in this metropolis, while it has literally nothing to recommend it above the existing system but its alleged additional security.

If we are thus compelled to reject the project of a National Bank, with all its flattering promises of public profit (which, by the way, some Parliamentary disciples of Mr. Ricardo have exalted far above the estimate of its author,) and if we see no gain, but some hazard, in permitting several banks at issue in the capital, the only question which the government had to determine, was how to make the existing establishment in Threadneedle-street the most subservient to the public service,—under what regulations its notes can be rendered most secure and its issues least fluctuating,—and what is the lowest remuneration for which, in consideration of its monopoly, it can perform the Government business, in circulating Exchequer-bills, in receiving the public revenue, and paying the public creditor.

Hitherto, or at least, up to a recent period, its conduct with respect to the management of the currency has been marked by the grossest ignorance, and has produced the most extensive mischief, raising and depressing property by the fluctuations of its issues, and altering the fortune of every man in the kingdom. It has been chiefly enabled to perpetrate such evils by the mystery in which its affairs and proceedings have been involved. The remedy is, therefore, publicity, and this, accordingly, is part of the Government plan. We must insist, however, that the quarterly publication in the Gazette shall not be an average of the state of coin and bullion deposits and circulation for the previous quarter, but that it shall be a faithful copy of the weekly returns made to the Chancellor of the Exchequer, unaltered and unabridged.

The gains of the Bank have for the last 30 years been enormous, and the nation has reason severely to condemn the improvidence, or the prodigality, of the government which gave it the benefit of the last contract. From 1807 to 1822 its proprietors divided 10 per cent. on their capital, besides adding to that capital 25 per cent. in 1816, and receiving numerous "God-sends" at various times, under the name of a bonus. Since 1797, when the Bank Restriction Act was passed, to the present time, besides the dividend of 7 per cent. existing at that period, this establishment has distributed among its proprietors, in the shape of bonus, paid in the form of additional dividends, or invested in additional capital, the enormous sum of 12,318,076*l.*, besides retaining still a reserved fund or rest of nearly 5,000,000*l.*, which remains undivided!! Thus have the Bank Proprietors in about 30 years pocketed or accumulated more than 20,000,000*l.* sterling, in addition to the continued interest of 7 per cent., which was paid on their capital at the beginning of that period. They now receive a dividend of 8 per cent., and have, as we mentioned, a rest of nearly 5,000,000*l.* In this dividend is included 251,000*l.* for their services in paying the dividends on the national debt, but nearly all their profits result from their monopoly. We have therefore reason to be dissatisfied with the economical part of the Government arrangement, by which the Bank only allows the country a deduction of 120,000*l.* in the expense of this part of its management. But as we shall have other opportunities of exposing this part of the bargain, we shall only at present refer to an able pamphlet, entitled "An Impartial Inquiry into the Bank Question, by a Merchant," for an account of what the Bank gains by conducting the Government business. The deduction on behalf of the public ought to be 200,000*l.*

We have left ourselves scarcely any space to express our opinion of the collateral measures which accompany this contract with the Bank, and which though perhaps not directly intended, must all, with the exception of the 25 per cent. reduction of their capital, co-operate in their favour, and promote the extension of their power and wealth. The making of its notes a legal tender, except at the Bank itself or its branches, must extend its circulation in the country, where its notes will displace the reserved treasure of gold in the coffers of the provincial banker. We see at present no objection to this provision, as regards the security of our currency, but we think that its obvious profitable result ought to have been taken into consideration in demanding better terms for the public. The most beneficial part of its operation will be in a season of a partial or local panic from internal causes, while the foreign exchanges are in our favour, and while there is abundance of gold in the country to answer all demands except those of unreasonable and unreasonable alarm. At such a period it will be aided by that wise relaxation of the usury laws proposed in the same plan, which will have a tendency to induce capitalists to lend their money, and restore confidence, by enabling them to cover their risks by additional interest. Had capitalists been enabled in 1825 and 1826 to avail themselves of such a regulation, they might, by reasonable accommodations, have shortened the duration or diminished the intensity of the panic.

The provision for the formation and regulation of joint stock banks in the country, both of issue and deposit, may meet with some opposition, but seems in the main unobjectionable. There should, however, be some rule to guide the Government in granting or refusing a charter; otherwise a door will be opened for caprice on the one hand, or suspicion on the other.

We have only room to add, that had the terms of the arrangement with the Bank been otherwise unexceptionable, the duration of the contract for twenty years, with the option of terminating it at the end of ten, would have met with general approbation.

The proceedings at the Bank of England yesterday, if not so instructive as those in Parliament relative to the same question, were at least more amusing. The parts of the Directors and of the speakers seemed to have been skillfully got up, and Mr. Lloyd could not have acted his better though he had been moved by springs or prompted with language from the Bank parlour. If there was any concert, as there seemed evidently to be, the other proprietors should have been informed of the act, and thus have been prepared for giving the seeming unanimity all the importance which it deserved, and no more. Though none but the actors are admitted to the Green room, strangers sometimes enjoy the privilege of getting behind the scenes.

Friday May 31st.

It is with the greatest satisfaction that we can announce the pacification of the East, nearly in the same breath that we announced a preliminary treaty for securing the peace of the West. The accounts from Constantinople to the 8th inst. contain an assurance of the concession by the Sultan of those points which the Viceroy of Egypt had originally demanded as the fruits of his conquest, and the conditions of his retreat. His Highness of the Sublime Porte could not, indeed, formally enter into a political contract on equal terms with his Highness the rebel Pacha of Egypt, but he has done every thing in the way of concession which a treaty between equals would be expected to accomplish. He has granted his "imperial benevolence" to his vassal, along with the government of all the countries for which he contended. Of course, the Viceroy of Egypt having been always accustomed to the language which his late master employs, and being himself in the habit of using the same terms to his inferiors, cannot quarrel with the use of words when he secures the enjoyment of real, substantial, and independent power.

The satrap of Egypt is now a more potent monarch than the Head of the Faithful, who grants him his pardon and promises him his cleanness. He possesses not only the dominions whose resources have enabled him to extend his power, but the whole of Crete, which had been before granted him, and the Holy Land, together with the country and the port of the Levant, from the limits of Asia Minor to the mouth of the Nile. He has thus obtained securities for his navy, a great accession of territory, and a population necessary for his permanent security, and a natural boundary easily defended against foreign aggression.

Though more than ten months ago we predicted that such would be the issue of the contest, the particular mode in which it would be brought about could not have been foreseen. We laughed at the recall of the Russian Consul from Alexandria, as an act of diplomatic peevishness on the part of legitimacy, but we did not anticipate the Autocrat was thus laying the foundations of a more extensive interference in Turkish affairs, at the cheap expense of sacrificing a useless consular appointment, to the more ambitious object of becoming, first the protector, and then the usurper of Turkish power.

It is the conduct, the policy, the bias, and the power of Russia, we need not repeat, which have given the whole of its importance to the contest which has just been terminated, and which, without some decided arrangement among the great States of the West, can only leave us a short interval of repose and security. Need we recapitulate the recent acts and manoeuvres of the Russians, to show both their duplicity and their audacity? Without consent of the other Powers of Europe, the Russian Government sent an agent to Alexandria to command the arrest of the Pacha's troops in their victorious career to the Turkish capital, though he was not enabled to offer any terms of accommodation between his Highness and his master. In the same independent manner, the Autocrat, taking advantage of the alarms of the Sultan, offered him the assistance of a fleet and an army to repel the attack of Ibrahim Pacha. No sooner was solicited from the Allied Powers, or offered to them by Russia, in the arrangement of such an expedition. The Russian fleet arrived, to the surprise of the French and English Legations, a few days after they had heard of its mission. The French Ambassador, anxious to prevent an armed interference on the part of one Power, in a case where a united diplomatic representation would have been sufficient to accomplish the object without arms, remonstrated with the Turkish Government on the employment of a Russian fleet; but by affecting to accomplish too much nothing was done.

Ibrahim Pacha refused to listen to the terms which the French Legation had engaged to make him accept, and thus a new pretext was created for the demand of those secours which the Russian Government was so eager to offer; but before they had arrived the wavering Sultan agreed to the surrender of Tarasus and Adana as the price of peace. Despatches were sent off accordingly from Constantinople with the formal concession of those places; and both in the camp of Ibrahim and at the Court of his father, it was believed that peace was secured. The first detachment of Russian troops which immediately afterwards arrived in the Bosphorus, was soon followed by a second; and now the Sultan, assured of protection by his new guests, or misled by their artful intrigues, was induced to disavow the proposals for the surrender of Adana, to which he had at first consented. A third detachment of Russian troops thus found a pretext for moving towards the Turkish capital, and the boldness of the Russian Government increased in proportion to the hold which it was obtaining. The united voice of the great Powers of Europe was, however, with the Sultan, an overmatch for the professed aid of his suspicious ally, and his Highness has been at length prevailed upon to return to his original purpose, needing all the districts and territories which the Viceroy of Egypt had demanded.

Still great suspicion hangs over the conduct of Russia. Her fleet is still in the Bosphorus, and her troops are still on the Asiatic shore, within sight of the Turkish capital. The Russian Government has ostentatiously declared that its armaments will not be withdrawn till the new arrangement of the Turkish empire shall be completed, and the Pacha of Egypt has made his acknowledgements of submission to his late master. This must create delay. An indemnity may be demanded for the expenses of the expedition; the Turkish treasury is exhausted, and no loan is likely to be obtained in such circumstances. This demand, if made and persisted in, will create further delay. Meanwhile Europe will become accustomed to the presence of a Russian force at Constantinople, and the Sultan, feeling no inconvenience from its stay, will make no remonstrance. Thus by little and little Russian protection will settle in conquest, and with the earliest opportunity the mask will be thrown off and projects of aggrandizement will be openly avowed.

Already we see that Russia is preparing the European public for such a result, as we observe in the continental papers, devoted to Russian interests, long articles to prove that it would be more advantageous for the happiness and civilization of mankind that a Christian Power from the North should gain an ascendancy at Constantinople than that it should be conquered and occupied by unreasoning and fanatic Mahometans from the banks of the Nile and the shores of the Red Sea. In such circumstances too much vigilance cannot be exerted, or too much vigour displayed, by those Powers which desire (whether justly is another question) to preserve the existing political balance of Europe.

Portsmouth, June 1.—The Challenger, 23, Capt. Freemantle, arrived on Thursday, by an interesting voyage round the world, from the East India Station. The Challenger left Ma-

drass in August last, since when she has visited the Swan River settlement, Hobart Town, Sydney, New Zealand, Otaheite, Pitcairn's Island, Valparaiso, and Rio Janeiro. She left the Pacific on the 24th February, and arrived at Rio Janeiro on the 4th April, and left it on the 16th. Messrs. Kelly and Wilmott (with their families) late Deputy Consuls at Peru, have come in the Challenger, having resigned their situations in consequence of some misunderstanding with the Colonial Office. The object of the Challenger's visit to Pitcairn's Island was to convey a present of agricultural instruments and clothing to the inhabitants from the Governor of Sydney; these inhabitants consisted of 48 males and 59 females, who had returned to Pitcairn's Island from Otaheite, not liking the manners of the people of the latter Island. Her reason for calling at New Zealand and Otaheite was to see if our whalers either required protection or had committed depredations. The Swan River settlement, it appears by this ship, will answer in time, but deprived as the settlers are of the benefit of convict labour, and the consequent expenditure of Government money, their progress will be slow, and if they raise produce enough for their own subsistence for some years to come, it will be as much as they can expect. Labour pays well there; the land requires no clearing, but houses must be built and land enclosed. A gentleman settler will not answer in that part of the world. The Challenger came into the harbour this afternoon, to be paid off and re-commissioned.

TISSINGTON WELL FLOWERING.—On Thursday week (Holy Thursday), agreeable to the immemorial usage, the annual elegant custom of Well Flowering was observed at the rural and retired village of Tissington, in this county. By 10 o'clock, gay parties on foot and in various vehicles, were seen making for the place of festivity—from the homely villager and his friends to the fashionable visitor, each seemed pleasantly engaged—and the day proving a remarkably fine one, the miscellaneous concourse made a most enlivening and picturesque appearance. Every thing wore the aspect of a universal holiday. Numerous stalls were spread out, loaded with baccuits, oranges, &c., and here and there the villagers dressed in their best attire, might be seen straying in knots of two or three, awaiting the commencement of the ceremonies and rites of the ancient custom of the place. At the usual hour, service was performed in the church, and an appropriate sermon preached for the occasion, by the Rev. Mr. Gibbs. After this was concluded, the Clergyman, accompanied by the church singers, and a number of instrumental performers, together with the villagers and visitors forming a procession, visited the several wells, at every one of which the psalms for the day were read, and a suitable hymn sung.

This service, which occupied a considerable time, ended the ceremonies of the day, when the remainder was devoted to rural sports and holiday pastimes. The wells, which were five in number, were very beautifully and tastefully decorated; a description of the numerous colours, or the effect of the contrast of vivid colours, cannot, however, be committed to paper. The mode of producing the various representations seemed to be this:—Boards are cut into the forms designed, and covered over with moist clay, into which are inserted gay flowers, so as to render it one entire mass, appearing like mosaic work. These are so placed around each well as to give the water the semblance of issuing from them. A number of texts from the Scriptures are by a disposition of the flowers, so as to give the appearance of the text, in the present instances were exceedingly well executed.—Miss Goodwin's Well (very elegantly decorated) had the inscription, "Blessed are they that do his commandsments;" the Town Well had the words, "Thanks be to God;"—Hands Well, "I go to prepare a place for you," and "Holiness to the Lord;"—Miss Frith's Well (situated in a sweet retired nook, and beautifully ornamented), "Our Saviour is gone up on high;"—and the Hall Well, which to our thinking showed the varied flower work to greater advantage than any other, from its excellent situation, and the natural vivid stone arch by which it was overhung, had the sentence, "He is our great reward, he hath done all things for us." This annual ceremony is said to have originated in a traditional story, that at a very remote period, Tissington was the only place for twenty miles which afforded water for the supply of the neighbouring villages—and that Gratitude established the annual spectacle called "the Flowering of the wells." Tissington is the seat of the Fitzherbert family (Baronets), the chief part of the estates having descended to them from the Meynells in the 15th century. The village is most pleasantly situated in respect to the mountain scenery around, and consists of three or four streets, irregularly built, and branching off the village green; the principal buildings being the church, or chapel rather, and the mansion of the Fitzherberts. There are five wells in different parts of the village, of beautiful fine water; the principal of which "St. Helen's Well" is in the street opposite to Sir Henry Fitzherbert's house; the water flows from a very large stone basin, into two smaller ones, and thence runs down the road. This well has a large stone alcove over it. Each house seems to vie with each other in dressing the wells; but where they obtain the flowers is wonderful, although there is a garden before almost every building.—*Derbyshire Courier.*

ST. LEONARD'S MONASTERY.—The beautiful western end of this edifice, about a quarter of a mile east of Stamford, so much admired by every antiquarian, was *barred* (not *barred*, good reader) by Goths and Vandals about five months since, until it fell to the earth, and it was supposed to have left us, "like a baseless fabric." We are pleased, however, to know that a few weeks since several workmen were employed by the Marquis of Exeter to restore the Norman doorway. It was composed of a central and two smaller arches, with pointed and dental mouldings, supported by clustered and open pillars. Most of the hammer-dressed work was fortunately rescued uninjured; but a considerable portion, through the trititious hand of time, and the destructive effects of the fall, are much damaged. The defaced parts are to be perfected with Roman cement, and made to resemble as nearly as possible, the component parts of the work. About 750 years have elapsed since William the Conqueror, Earl of Hereford, rebuilt this monastery. The late Lord Exeter partially repaired it about 20 years ago, but it was left in a very insecure condition. On Saturday last, as the workmen were digging out the footing for scaffolding posts, about four feet from the base of the west front, and a foot and a half from the soffit of the arch, they came in contact with a stone coffin. Having cleared away the earth, a portion of the slab was removed, and a coarse shroud, or covering, and part of the skeleton, were seen, in the most perfect preservation. Since that period the whole has been covered in. Many rumours as to the per-

son interred have been circulated by the antiquarian connoisseurs, but as no inscription whatever is to be found upon the coffin, all is but conjecture. We think the remains are those of an ordinary ecclesiastic or monk, buried in his sepulchre. St. Cuthbert, Archbishop of Canterbury, who flourished in D. 760, the patron at St. Leonard's was interred at Durham. It was he who introduced burying in churches and churchyards, which before was not permitted. A Mr. Hildington, who levelled this hill before the north front of the manse (now occupied by Captain Cadwick,) dug up six stone coffins about 50 years since.—They were arranged side by side, and covered over, but dust was the only vestige of mortality which they contained.—*Stamford News.*

POWERS OF STRAIN.—One pound of cotton, which formerly could only be spun into a thread of 108 yards long, can now by the application of steam to the same object, produce a thread of 167 miles in length.—*Gordon's Lectures at the London Lit. and Scient. Instit.*

COLONIAL.

We extract the following particulars from the Newfound Gazette of the 9th ulto.

ANOTHER CONFLAGRATION!

We are sorry to state that a most extensive fire has again occurred in this truly unfortunate Town, attended by circumstances more melancholy than any which we have heretofore had to record.—On Sunday morning, between the hours of two and three o'clock, the House of Mr. J. B. Thomson, Merchant, in Water-street, was discovered to be on fire—the flames bursting from the roof;—and so rapid was the progress of the destructive element, that before many persons had assembled on the spot, the adjoining buildings were also enveloped in an unextinguishable blaze.—The Town and Garrison Engines having arrived, endeavours were made to prevent the fire extending to the opposite side of the Street, but unfortunately without effect—as from the immense body of fire and intense heat of Engines could not be worked sufficiently close to be available, and in a short time both sides of the street were in flames. At the cross street, or fire-break at each end of the range, the efforts made to stay the progress of the conflagration were, however, more successful, the fire having been happily prevented, though with much difficulty crossing over to the house of Mr. J. Renouf, and that on the opposite corner, to the Eastward—and to the premises of Messrs. McGregor & Co. and Mr. Kiely, Westward.—Before 6 o'clock all the houses within these boundaries, forming (particularly on the water-side) one of the finest ranges in the Town, and comprising some of the most valuable Stores and Warehouses, were, together with a vast quantity of property, entirely consumed, leaving upwards of 50 families homeless, some of them entirely destitute. But as much as the catastrophe is to be deplored on account of the loss of property, would that that were its worst consequence!—We regret to have to record, also, the loss of life.—Mr. Thomson, in whose house the fire originated, and his child, a little girl of about 7 years of age, fell victims to the flames!—We are informed that immediately on discovery of the fire in the house, Mr. Thomson, who was unwell (and now lies in a precarious state,) together with an infant, was removed from the premises, and that Mr. T. on making inquiry for the other child, and learning that it was still in the house, resolved to make an attempt to save its life, and for that purpose proceeded towards the Nursery—but had scarcely passed the door, when the floor fell in, and both father and the child were buried in the flames!—some remains of the bodies have since been found in the ruins.

THE LATE FIRE IN WATER-STREET.—Nearly all the calamities which befall communities arise from ignorance, or neglect, of the physical and organic laws. The calamities which have so frequently befallen this town, are solely attributable to the neglect of the organic laws. In the original construction of the town Government which took upon itself the sole direction of every thing, had been possessed of sufficient wisdom, and endowed adequate moral feeling; it would have employed all the knowledge of the most civilized and improved state of society in its construction and government; but on the contrary, all our governments, until lately, acting on the wretched policy of the mother country, towards the people in Newfoundland, at variance with the moral and natural laws, obstructed the paths of knowledge and improvement. This policy, so destructive to our rise and advancement, was aided and supported by men in whose minds the desire of gain had obtained a powerful domination.—Circumstances are now changed; and we are now addressing a free people, on the commencement of a new era. A patriot King has conferred on Newfoundland a free constitution—the power, of its inhabitants to legislate for themselves—of rendering all the Laws of Nature, which is the supreme lawgiver, subservient to our wants and circumstances. This is our happy condition. We hope that their existing wisdom in the Legislature to avert itself! The accumulated experience of other countries, and apply it to the improvement of our moral and physical condition.

Our houses are nearly all built of wood, which is highly combustible,—our furniture is equally so; the coldness of our climate, and our culinary wants, render large fire necessary; our moral habits have not made us sufficiently aware of the infringement of the physical and moral laws,—we have been too heedless of both. In a word, our calamities have been caused by ourselves. We must, therefore, endeavour to amend our ways and customs, and by so doing we shall assuredly avert such and such a calamity as the one we now deplore. The first place, our dwelling-houses must be constructed of incombustible materials, the safety of our Legislature is to watch over the necessities of the people. This must strike as necessary; and it will be easy to make a code of laws which will render every thing, justice, subservient to this first.

After these few general remarks, we are induced to make a few special ones, as applicable to the late conflagration. Much has been said as to the apathy of the people. Most men feel that they owe a duty to themselves—to feel that they owe a duty to themselves of friendship those connected with them by ties of friendship or of blood, and that personal safety is a first duty. It cannot in reality be expected that a general public will come forward on similar cases, and that men without any interest, unprotected in case of accident or death—without remuneration, any compensation for loss to himself, or in case of death, to his relatives. The fault in the first instance, belongs to those who style themselves the higher orders. Actuated, solely by the feeling of acquisitiveness, they have regarded riches as the sole good; they have neglected the education of the lower orders; they have not pursued those measures calculated to improve the moral condition of the peo-