

[John Thom Holdsworth, Ph.D., Davis R. Dewey, Ph.D. (1909). Baring Bros. & Co., Hope & Co. and Hottinguer & Co (Cie) stock in the First Bank of the United States, National Monetary Commission, The First and Second Banks of the United States, incl. Balance Sheets, SENATE DOCUMENTS, 1909-1910, 61st Congress, 2nd Session, Vol. 26, Serial Set 5625 (1909/10), Doc. No. 571, pp. 89, 308, 310, 311. GPO. Source: <https://hdl.handle.net/2027/hvd.hj1sls>]

61ST CONGRESS : : 2D SESSION

1909-1910

SENATE DOCUMENTS

VOL. 26

WASHINGTON : : GOVERNMENT PRINTING OFFICE : : 1910

NATIONAL MONETARY COMMISSION

The
First and Second Banks
of the United States

By

JOHN THOM HOLDSWORTH, Ph. D.

and

DAVIS R. DEWEY, Ph. D.



Washington : Government Printing Office : 1910

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Source: <https://hdl.handle.net/2027/hvd.hj1sls>

\$62,742,813.29 in 2022 dollars

[p. 321](#)

APPENDIX F (continued).			
MARCH 2, 1832.			
[H. R. 523, 23d Cong., 1st sess., p. 85.]			CR.
	Capital stock.....	\$35,000,000.00	
. 27	Notes issued.....	42,118,452.13	
. 14	Discount, exchange, and interest.....	855,958.17	
. 20	Foreign-exchange account.....	371,610.55	
	Baring Bros. & Co., Hope & Co., Hottinguer & Co.	1,876,802.39	
. 61	Dividends unclaimed.....	166,432.73	
. 79	Profit and loss.....	1,750,263.52	
	Contingent fund.....	\$5,613,346.20	
	Less losses chargeable to contingent fund.....	3,477,737.29	
		2,135,608.91	
	Due to—		
. 19	Bank United States and offices.....	28,461,352.88	
. 73	State banks.....	2,600,270.50	
		31,061,623.38	
	Fund for extinguishing cost of banking houses.....	551,992.95	

Baring Bros. & Co.

https://en.wikipedia.org/wiki/Barings_Bank

https://en.wikipedia.org/wiki/Baring_Vostok_Capital_Partners

https://en.wikipedia.org/wiki/GP_Investments

https://en.wikipedia.org/wiki/Baring_Private_Equity_Asia

<http://www.bpepindia.com/>

Founded 1762 by Sir Francis Baring and brother John, sons John, Thomas (Sir Thomas Baring, 2nd Baronet), son-in-law Charles Wall

Barings and Hope & Co. brokered the Louisiana Purchase which doubled the size of the United States (technically the US purchase from Barings and Hope, not Napoleon; interlocked with Hope & Co., **Amsterdam; London**)

In 1832, a Barings office was established in Liverpool specifically to capitalize on new North American opportunities. In 1843, Barings became exclusive agent to the US government, a position it held until 1871.

In 1851, Baring and Bates brought in another American, **Russell Sturgis, a Boston Brahmin involved in the opium and slavery trafficking**, as partner. Despite the embarrassment to his partners caused by his sympathies for the South in the American Civil War, Sturgis proved a capable banker. Baring did not deal in U.S. bonds, but it did help fund the American purchases of armaments.

TODAY: ING; ABN Amro Bank; MassMutual; Northern Trust; Baring Vostock Partners, Russia; GP Investments, Hamilton, Bermuda, São Paulo, Brazil, New York City, United States, and Zurich, Switzerland.; Baring Private Equity Asia; Baring Private Equity Partners India

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Hope & Co.

https://en.wikipedia.org/wiki/Hope_%26_Co.

https://en.wikipedia.org/wiki/ABN_AMRO

https://en.wikipedia.org/wiki/Sir_Thomas_Hope,_1st_Baronet

Amsterdam, London financier of Dutch East India Company; richest men in Europe in 18th century related to Sir Thomas Hope, 1st Baronet

TODAY: ABN Amro Bank

Hottinguer & Co [Cie]

https://en.wikipedia.org/wiki/Hottinger_%26_Cie

https://en.wikipedia.org/wiki/Hottinguer_family

<https://en.wikipedia.org/wiki/Axa>

Founded Aug. 01, 1786 by the Hottinguer family as "Rougemont, Hottinger & Cie", underwritten by Usteri and Escher [Escher Wyss – Eugen and Klaus Schwab]

TODAY: Now AXA insurance, Paris (U.S. is largest investor @ 18.8%; France 16.5%; UK 10.5%); endows London School of Economics (socialism-communism; founded by Fabian Society)

Zurich, Paris, London

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THE FIRST BANK OF THE UNITED STATES.

The establishment of the Bank of the United States in 1791 was an essential and vital part of the general scheme for the support of public credit proposed by Alexander Hamilton, first Secretary of the Treasury. The institution of a national bank Hamilton regarded as "an indispensable engine in the administration of the finances."^a

HAMILTON'S PLAN OF 1779.

This conception of the utility of a bank was not a matter of impulse or sudden exigency. As early as 1779, Hamilton wrote to Robert Morris favoring a bank of issue based on landed security.^b Later, in 1780, when the Revolutionary finances were at low ebb and the currency of the country was demoralized, Hamilton, then serving in the army, wrote to Morris discussing the financial situation thoroughly and proposing measures of relief. "The only plan that can preserve the currency is one that will make it the immediate interest of the moneyed men to cooperate with the Government in its support." He proposed an American bank with a capital of \$200,000,000. His project contemplated a foreign loan of \$10,000,000 "to be thrown into the bank as a part of its stock." The Government was to guarantee one-twentieth of the subscription money to the stockholders, and was itself to share half the stock and profits of the bank. All the

^a Hamilton's Report on Public Credit, December 13, 1790.

^b Hamilton's Works (Hamilton), Vol. I, p. 116.

First Bank of the United States

was an important factor. Exchange was at about five below par; recent extensive importations promised a rise, so a merchant having funds in England and who wanted money preferred to borrow from the banks at 6 per cent rather than to sell bills at the low rate. On the other hand, those who had remittances to make to England strained their credit at the bank to raise money to buy bills at the low rate. Hence both buyers and sellers of exchange, in unusual numbers, pressed the banks for additional loans.

In his letters to Doctor Seybert, Carey argued that, since the Government had sold to Sir Francis Baring \$1,287,600 worth of bank shares at a premium of 45 per cent it would disgrace American credit not to recharter the bank. He admitted that there was ground for complaint in the fact that the bank had not accepted the notes of its branches in payment from its customers. It owed that accommodation to the public. He tried to turn the point of the criticism by stating that the Bank of Pennsylvania and the Bank of Philadelphia refused, in the same way, to receive the notes of their branches at Pittsburg and Washington until they were compelled to do so by an act of legislature. Carey's chief argument for renewal was the terrible calamity that would overtake the business community if the bank should be compelled to wind up.^a

Dr. Eric Bollman was another ardent advocate of renewal. He estimated that the banks of the country had brought into use bank credits and bank notes amounting to \$70,000,000 and that they held not over \$15,000,000

^a Letters to Dr. Adam Seybert, p. 64.

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Zurich, Paris, London

APPENDIX F.

BALANCE SHEETS OF BANK: 1820, 1825, 1831, 1832.

November, 1820.

[Finance, 3:570.]

DR.		CR.
Funded debt of the United States, various.....	\$9,157,604.15	Capital stock.....\$34,976,958.63
Louisiana 54 per cent.....	278,008.00	Bank and branch notes.....11,621,380.04
Bills discounted, viz:		Dividends unclaimed.....22,079.80
On personal security.....\$19,977,821.31		Discount, exchange, and interest.....645,723.92
On personal security and funded debt.....77,750.00		Profit and loss, and contingent interest.....2,668,244.30
On personal security and bank stock, etc.....6,865,818.62		Due to Bank of the United States and offices.....\$14,283,150.81
	26,921,389.93	Due to state banks.....1,175,905.01
Bills of exchange, viz:		Loan from Baring & Co. and Hope & Co.....15,459,055.82
Foreign.....52,659.65		Damages on sterling bills protested.....2,040,000.00
Domestic.....1,083,097.86		Bills of exchange received of S. Smith & Co.....26,048.59
	1,135,757.51	Deposits, viz:
Baring Bros. & Co.....	189,941.20	On account of Treasurer of United States.....1,135,205.44
Hope & Co., Amsterdam.....	63,200.00	Deduct overdrafts.....287,499.20
Overdrafts.....	199,547.00	
Debt of S. Smith and Buchanan, George Williams, and J. W. McCulloch.....	1,540,000.00	847,706.24
Due from offices of discount and deposit.....	16,430,187.66	On account of public officers.....1,507,813.75
Due from state banks.....	2,625,996.99	On account of individuals.....3,7947,267.54
Interest and commission on loan from Baring & Co. and Hope & Co.....	8,200.00	
Real estate, permanent expenses, and bonus.....	1,393,247.04	6,149,787.53
Expenses.....	89,718.94	
Deficiencies.....	310,445.24	
Cash, viz:		
Notes of Bank of United States and branches.....	6,295,992.19	
Notes of other banks.....	955,899.08	
Specie.....	6,051,499.25	
	13,303,390.52	
	73,646,634.18	73,646,634.18

APPENDIX F (continued).

JANUARY 31, 1825.

[Finance, 5:324.]

309

DR.			CR.	
Funded debt United States (various) -----		\$18,422,027.38	Capital stock -----	\$34,995,919.63
Bills discounted on—			Notes issued -----	13,001,957.46
Personal security -----	\$22,862,162.15		Dividends unclaimed -----	181,710.77
Funded debt -----	87,882.94		Discount, exchange, and interest -----	165,429.91
Bank stock -----	5,527,744.68		Profit and loss and contingent interest -----	732,095.32
		28,477,789.77	Due to Bank United States and offices.	\$16,368,760.33
Domestic bills of exchange -----		2,467,398.10	Due to state banks -----	1,426,161.46
Foreign bills of exchange -----		24,178.00		17,794,921.79
Real estate -----		1,362,266.72	Seven per cent stock -----	1,053,840.82
Mortgages, etc. -----		135,091.85	Six per cent stock exchanged -----	353,934.34
Due from Bank United States and offices.	16,109,461.53		Baring Bros. & Co. -----	2,574,646.03
Due from state banks -----	1,837,512.29		Deposits on account of Treasurer United	
		17,946,973.82	States -----	2,825,436.46
Debt of Smith and B. G. Williams and J. W. McCulloch. ..		1,207,332.08	Deduct overdrafts -----	195,525.64
Debt due by the United States -----		5,267.32		
Deficiencies -----		500,931.15	Deposits of public officers -----	2,629,910.82
Banking houses, bonus, and premium on loans.		1,882,853.12	Deposits of individuals -----	1,543,618.63
Expenses -----		45,363.66		7,533,406.46
Cash:				11,706,935.91
Notes of Bank United States and			Special deposit of Treasury drafts.	296,300.00
offices -----	6,336,763.06		Contingent fund -----	3,750,947.67
Notes of state banks -----	1,178,353.64			
Specie -----	6,616,049.98			
		14,131,166.68		
		86,608,639.65		86,608,639.65

APPENDIX F (continued).

MARCH 2, 1831.

[H. R. 523, 23d Cong., 1st sess., p. 13.]

DR.

CR.

310

Funded debt, various	\$7,674,681.06	Capital stock	\$34,696,269.63
Bills discounted on—		Notes issued	33,335,126.76
Personal security	\$33,502,614.39	Discount, exchange, and interest	616,931.60
Funded debt	6,800.00	Foreign-exchange account	7,329.25
Bank stock	711,034.01	Dividends unclaimed	169,869.48
		Profit and loss	1,626,281.53
Domestic bills of exchange	34,220,448.40	Contingent fund	\$5,452,040.95
	12,943,653.09	Less losses chargeable to contingent fund	3,389,244.98
	47,164,101.49		2,062,795.97
Real estate	2,616,313.10	Due to—	
Baring Bros. & Co., Hope & Co., Hottinguer & Co.	1,161,076.75	Bank of the United States and offices	21,331,213.58
Due from—		State banks	1,734,203.08
Bank United States and offices	20,535,786.05		23,065,416.66
State banks	3,004,593.87	Redemption of public debt	525,921.91
	23,540,379.92	Deposits, viz:	
United States	5,267.32	On account of Treasurer United States	7,243,273.59
Deficiencies	142,010.55	Less overdrafts and special deposits	239,544.99
Banking houses, bonus, and premium	1,283,384.71		7,003,728.60
Expenses	89,204.62	Of public officers	1,190,787.61
Cash, viz:		Of individuals	8,475,346.03
Notes of the Bank of the United States	14,833,665.86		16,669,862.24
Notes of state banks	2,069,754.31		
Specie	12,012,232.73		
	28,915,652.90		
Mortgages	143,588.44		
Navy agent, Norfolk	40,144.17		
Total	112,775,805.03	Total	112,775,805.03

APPENDIX F (continued).

MARCH 2, 1832.

[H. R. 523, 23d Cong., 1st sess., p. 85.]

DR.		CR.	
311	Bills discounted on—		
	Personal security	\$45,850.367.27	
	Bank stock	620,766.14	
	Other stocks	2,145,895.20	
		48,617,028.61	
	Domestic bills of exchange	20,354,748.79	
		\$68,971,777.40	
	Foreign bills of exchange	91,238.23	
	Due from—		
	Bank United States and offices	29,288,810.19	
	State banks	3,752,822.73	
		33,041,632.92	
	United States	5,267.32	
	Real estate	2,131,359.64	
	Deficiencies	122,973.18	
	Banking houses	1,163,691.92	
	Expenses	106,720.02	
	Cash, viz:		
	Notes of Bank United States and offices	18,401,011.03	
	Notes of state banks	2,836,900.40	
	Specie	6,799,753.63	
		28,037,665.06	
	Mortgages	89,573.78	
	Navy agent, Norfolk	40,144.17	
		133,802,043.64	
	Capital stock	\$35,000,000.00	
	Notes issued	42,118,452.13	
	Discount, exchange, and interest	855,958.17	
	Foreign-exchange account	371,610.55	
	Baring Bros. & Co., Hope & Co., Hottinguer & Co.	1,876,802.39	
	Dividends unclaimed	166,432.73	
	Profit and loss	1,750,263.52	
	Contingent fund	\$5,613,346.20	
	Less losses chargeable to contingent fund	3,477,737.29	
		2,135,608.91	
	Due to—		
	Bank United States and offices	28,461,352.88	
	State banks	2,600,270.50	
		31,061,623.38	
	Fund for extinguishing cost of banking houses	551,292.05	
	Redemption of public debt	857,613.12	
	Deposits, viz:		
	On account of Treasurer of the United States	6,781,114.55	
	Less overdrafts and special deposits	260,976.99	
		6,520,137.56	
	Of public officers	1,719,489.32	
	Of individuals	8,816,759.81	
		17,056,386.69	
			133,802,043.64