

Financing the Revolution
Document Based Question
“Evaluate the role of the Bank of North America during the
American Revolution”

Document 1:
From George Washington to Robert Morris, 2 August 1781

Head Quarters Dobbs’s Ferry 2d Augt 1781. Dear Sir

I have been honored with yours of the 23d ulto. I take the earliest opportunity of informing you that our whole dependence for Flour is upon you. The State of New York it is said has a considerable quantity yet within it, but so exhausted are the resources of the Legislature that they can command none of it. New Jersey has not either passed laws to draw forth the specific supplies demanded of her or those laws are not executed, but the fact is, that we obtain nothing—I do not exactly know what number of the three thousand Barrels which Mr Lowrey is to purchase have been delivered—I believe not quite half—He has sent in none lately and the Army is this day without Bread—Expresses are gone to him requesting him to hurry forward the remainder which will not be more than 25 days supply at our present consumption which ought to increase considerably in a very short time—The Militia and Levies being daily expected—Thus you see the absolute necessity which there will be of your immediately extending your orders.

I perfectly understood your letter in which you mentioned the good effects which would arise from disposing of provisions at a distance and purchasing near the Army. I only meant to acquaint you of what I supposed you might be ignorant—That the provision actually provided by the States and deposited in Magazines was comparatively small—If the States will pay the Balance due from them into your Hands, it is evident that there will be a vast saving, by expending the Money in the way of Contract.

I am much obliged by your remittance of the draft upon Richards and Company for 2500 dollars specie, which I will have negotiated as early as possible—and by your undertaking to enable Genl Schuyler to comply with his Contract for building Boats. I have the honour to be &ca

Source: “From George Washington to Robert Morris, 2 August 1781,” Founders Online, National Archives (<http://founders.archives.gov/documents/Washington/99-01-02-06573> [last update: 2015-06-29]).

Document 2: Proposition for the establishment of a Bank

Proposition for the establishment of a Bank.

IN CONGRESS, *June 21, 1780.*

A letter of this day, from the Board of War, was read, informing "that a number of patriotic persons, having formed a plan for the establishment of a bank, whose object is the public service; that the directors have applied to that Board, to represent to Congress the desire of the company that a committee of this body may be appointed to confer with the inspectors and directors on the subject, to-morrow morning:" Whereupon,

Ordered, That a committee of three be appointed, for the purpose above mentioned. The members chosen were, Mr. Ellsworth, Mr. Duane, and Mr. Scott.

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JUNE 22, 1780.

The committee appointed to confer with the inspectors and directors of the proposed bank, brought in a report, which was read.

The committee also laid before Congress, the plan of the bank, communicated to them at the said conference, which being read, Congress, thereupon, came to the following resolutions:

Whereas a number of the patriotic citizens of Pennsylvania have communicated to Congress a liberal offer, on their own credit, and by their own exertions, to supply and transport three millions of rations, and 300 hogsheads of rum, for the use of the army, and have established a bank, for the sole purpose of obtaining and transporting the said supplies, with the greater facility and despatch: And whereas, on the one hand, the associators, animated to this laudable exertion by a desire to relieve the public necessities, mean not to derive from it the least pecuniary advantage; so, on the other, it is just and reasonable, that they should be fully reimbursed and indemnified: Therefore,

Resolved, unanimously, That Congress entertain a high sense of the liberal offer of the said associators to raise and transport the beforementioned supplies for the army, and do accept the same as a distinguished proof of their patriotism.

Resolved, That the faith of the United States be, and the same hereby is, pledged, to the subscribers to the said bank, for their effectual reimbursement in the premises.

Resolved, That the Board of Treasury be directed to deposit, in the said bank, bills of exchange in favor of the directors thereof, on the ministers of these United States in Europe, or any of them, and in such sums as shall be thought convenient, but not to exceed, in the whole, £150,000 sterling; that the said bills are to be considered, not only as a support of the credit of the said bank, but as an indemnity to the subscribers for all deficiencies of losses and expenses which they may sustain, on account of their said engagements, and which shall not, within six months from the date hereof, be made good to them out of the public treasury; and, in case of failure, such a proportion of said bills as shall be requisite to make good the deficiency, shall be negotiated for that purpose, by the said directors, and the residue returned into the treasury.

Resolved, That, upon representation made, that the bank stands in need of occasional assistance, Congress will advance as much of their current money as can be spared from other services.

Resolved, That a standing committee of Congress be appointed, to confer with the officers of the said bank, as occasion may require. The members chosen are Mr. Ellsworth, Mr. Duane, and Mr. Scott.

JUNE 23, 1780.

Source: M. St. Clair Clarke, and D.A. Hall, compilers, *Legislative and Documentary History of the Bank of the United States: Including the Original Bank of North America* (Washington: Gales and Seaton, 1832)

[<https://books.google.com/books?id=jDY4AQAAMAAJ&dq=history%20of%20bank%20of%20north%20america&pg=PA9#v=onepage&q&f=false>] pg. 10-11

*Note on alcohol and the American Revolution*¹

Document 3: Washington's Order of Battle at Yorktown, 1781

Continental (Washington)

Command and Staff: 25
Artillery: 325
Cavalry: 110
Sappers and Miners: 50
Delaware Company: 60
Brigadier General John Peter Gabriel Muhlenberg's Brigade: 1,280
Brevet Brigadier General Moses Hazen's Brigade: 1,200
Colonel Elias Dayton's Brigade: 1,400
Brigadier General James Clinton's Brigade: 1,180
Brigadier General Anthony Wayne's Brigade: 1,550
Brigadier General Mordecai Gist's Brigade: 1,100
Total Continentals: 8,280

Militia

Brigadier General George Weedon's Brigade: 1,500
Brigadier General Edward Stevens's Brigade: 1,600
Brigadier General Robert Lawson's Brigade: 1,640
Lt. Colonel Charles Dabney's State Regiment: 200
Total Militia: 5,535

French (Rochambeau)

Lieutenant General Jean-Baptiste-Donatien
Comte de Rochambeau's troops: 4,000
Major General Marquis de St. Simon's troops: 3,800
Brigadier General Claude-Gabriel, Duke de Choisy's

¹ "Although Sylvia Frey contends that British 'Regimental memoirs of the Revolution make no direct reference to the distribution of spirits before or during battle,' rum was issued daily, starting in 1777, to the British army at the rate of about a half pint per man, and the army drank its way through more than 360,000 gallons per year – representing the single largest cost of all supplies." Michael Stephenson, *Patriot Battles: How the War of Independence Was Fought* (Harper Perennial, New York, 2008), pg. 91.



Troops from de Grasse's fleet: 800 Total French: 8,600

Grand Total / Nominal Strength: 21,820

Source: Jerome A. Green, *The Guns of Independence: The Siege of Yorktown, 1781* (Savas Beatie, New York, 2005)

[<https://books.google.com/books?id=fWH01rQHUR4C&lpg=PP1&dq=battle%20of%20yorktown%20order%20of%20battle&pg=PT120#v=onepage&q&f=false>]

Document 4:

Items carried by an 18th century soldier, as quoted by Capt. Alexander Baillie

- Regimental Coat
- Waist coat
- Pair of breeches
- Hat with cockade
- Shirt
- Knee buckles
- Firelock with sling
- Shoe buckles, stocking, garters
- Waist belt and buckle
- Hangar, sword knot, scabbard
- Bayonet and scabbard
- Cartridge pouch and belt
- 24 cartridges
- Oil bottle
- 2 flints and steel
- Haversack and strap
- 6 days' provisions
- Full canteen

Source: Michael Stephenson, *Patriot Battles: How the War of Independence Was Fought* (Harper Perennial, New York, 2008)

Document 5:

An Ordinance for Congress to Incorporate the Bank of North America

By the United States in Congress assembled
December 31 1781

An Ordinance to incorporate the subscribers to the bank of North America.

Whereas Congress on the twenty-sixth day of May last did, from a conviction of the support which the finances of the United States would receive from the establishment of a national bank, approve a plan for such an institution submitted to their consideration by Robert Morris Esquire, and ~~was~~ lodged among the archives of Congress, and did engage to promote the same by the most effectual means: and whereas the subscription thereto is now filled from an expectation of a charter of incorporation from Congress, the directors and President are chosen, and application hath been made to Congress by the said President and directors for an act of incorporation: and whereas, the exigencies of the United States render it indispensably necessary that such an act be immediately passed.

Be it therefore ordained, and it is hereby ordained, by the United States in Congress assembled, that those who are, and those who shall become subscribers to the said bank be, and forever after shall be, a corporation and body politic to all intents and purposes, by the name and stile of The President, directors and company of the bank of North America.

And be it further ordained, that the said corporation are hereby declared and made able and capable in law, to have, purchase, receive, possess, enjoy and retain, lands, rents, tenements, hereditaments, goods, chattles, and effects, of what kind, nature or quality soever, to the amount of ten millions of Spanish silver milled dollars and no more; and also to sell, grant, demise, alien, or dispose of the same lands, rents, tenements, hereditaments, goods, chattles, and effects.

And be it further ordained, that the said corporation be, and shall be forever hereafter, able and capable in law, to sue and be sued, plead and be impleaded, answer and be answered unto, defend and be defended, in Courts of record or any other place whatsoever, and to do and execute all and singular other matters and things that to them shall or may appertain to do.

And be it further ordained, that for the well governing of the said corporation, and the ordering of their affairs, they shall have such officers as they shall hereafter direct or appoint: provided nevertheless that twelve directors, one of whom shall be the President of the corporation, be of the number of their officers.

And be it further ordained, that Thomas Willing be the present president, and that the said Thomas Willing and Thomas Sit, Simmons, John Maxwell Nesbit, James Wilson, Henry Hill, Samuel Cozod, Cadwallader Morris, Andrew Caldwell, Samuel Inglis, Samuel Meredith, William Bingham, Timothy Matlack, be the present directors of the said corporation; and shall so continue until another President and other directors shall be chosen according to the laws and regulations of the said corporation.

And be it further ordained, that the President and directors of the said corporation, shall be, capable of exercising such power for the well governing and ordering of the affairs of the said corporation, and of holding such occasional meetings for that purpose, as shall be described, fixed and determined by the laws, regulations and ordinances of the said corporation.

And be it further ordained, that the said corporation may make, ordain, establish, and put in execution such laws, ordinances and regulations as shall seem necessary and convenient to the Government of the said corporation.

Provided always that nothing herein before contained, shall be construed to authorise the said corporation, to exercise any powers in any of the United States, repugnant to the laws or constitution of such state.

And be it further ordained, that the said corporation shall have full power and authority, to make, have and use, a common seal, with such device and inscription as they shall ^{think} proper, and the same to break, alter and renew at their pleasure.

And be it further ordained, that this ordinance shall be construed, and taken most favourably and beneficially for the said corporation.

Done in Congress the 31st Dec.

Department of State, to wit,

Thereby certify that the foregoing is a true copy from the original manuscript journal in the office of the Department of State.

Given under my hand and seal of office the fourth day of April one thousand seven hundred and ninety four.

Edm. Randolph
Secretary of State

I attest the above to be a true copy

 Charles Carroll
 Secretary of the Department
 of State
 4th Apr 1794



Source: Bank of North America Collection, Historical Society of Pennsylvania.

**Document 6:
Revolutionary Correspondence with the Bank of North
America**

See PDF link for “The Directors Book of Letters”

**Document 7:
State of Bank summary, including account information for
“the United States”**

State of the Bank
Monday 4th February 1782.

<i>Payments.</i>	<i>Dollars</i> ^{<i>79/100</i>}	<i>Receipts.</i>	<i>Dollars</i> ^{<i>90/100</i>}
<i>Superintendent of Finance</i> ✓ 100.000		<i>for Subscriptions</i> ✓ 55.099.87	
<i>Notes discounted</i> ✓ 44.001.20		<i>on Acct of United States</i> ✓ 114.116.33	
<i>Incidental Charges</i> ✓ 78.4		<i>for Notes issued</i> ✓ 171.550.?	
<i>Cash in hand</i> ✓ 273.940.64		<i>ret</i> 109.400	✓ 62.150
<i>Notes returned</i> 109.400.00	104.540.64	<i>for Discount</i> ✓ 3.415.64	
		<i>money deposited</i> ✓ 73.897.84	
	303.079.88		303.079.88

Tuesday 5th Feby

<i>Deposit</i> ✓ 1.199.18		<i>Deposit</i> ✓ 4.447.71	
<i>Cash</i> ✓ 5.147.71		<i>Cash</i> ✓ 1.039.18	
		<i>Notes</i> ✓ 260	
		<i>Subscriptions</i> ✓ 600	

Wednesday 6th

<i>Deposit</i> ✓ 4.580.72		<i>Deposit</i> ✓ 2.185.10?	
<i>Cash</i> ✓ 9.784.29		<i>Cash</i> ✓ 4.320.72	
		<i>Notes</i> ✓ 310	
		<i>United States</i> ✓ 7.549.19	

Thursday 7th.

<i>Cash</i> ✓ 6.356.16		<i>Cash</i> ✓ 1.222.74	
<i>Deposit</i> ✓ 1.302.63		<i>Deposit</i> ✓ 14.341.33	
<i>for Bills discounted</i> ✓ 13.030.38		<i>Disco^y</i> ✓ 95.12	
		<i>Notes</i> ✓ 6.030	

Source: Bank of North America Collection, Historical Society of Pennsylvania.