"That at the time of Mr. Swartwout's appointment and of his reappointment to office, he was wholly irresponsible in pecuniary reputation, and was involved in debt.

"That at the time of his appointment and of his reappointment, and for the whole period he was in office, he was notoriously engaged in large and hazardous speculations, and deeply embarrassed by them.

"That his pecuniary irresponsibility and consequent involvements by hazardous speculations, constitute one of the primary causes of his [alleged] defalcations to the government."

Under the heading: "Facts connected with the foregoing defalcations, and deemed material to develop their true character," the majority-report recites:

"*The committee have found that both the late and present collectors at the port of New York have been in the receipt of large annual incomes, amounting, according to the testimony, from $5,000 to $15,000,* from storage of dutiable merchandise in the public stores while the duties on such merchandise are being computed."

The report of the minority of the committee furnishes the following noteworthy paragraphs:

"The manner of keeping the accounts in the custom-house was calculated to effect the object of concealment. *The auditor of the custom-house and the naval officer, intended as checks upon the collector, were kept in ignorance as to the true state of the accounts;* and, as the treasury department depended on their statements, it was equally ignorant.

"TWO OF THE WITNESSES, OGDEN AND PHILLIPS, CASHIER AND ASSISTANT-CASHIER OF THE CUSTOM-HOUSE, SAY, THEY FREQUENTLY MADE NO ENTRY AT ALL IN THE CASH-BOOK of moneys abstracted by Swartwout for his private expenses. WHEN BONDS WERE PAID, NO CREDIT WAS GIVEN FOR THEM. THE CASH-BOOK BEING IN THE POSSESSION OF THESE INDIVIDUALS, THEY FURNISHED SUCH STATEMENTS TO THE AUDITOR AS SUITED THEIR PURPOSES, AND CONCEALED THE ACCURATE AND TRUE STATE OF THE ACCOUNT."

"Mr. Fleming, the auditor at that time, and now auditor of the custom-house (a very respectable and intelligent witness), testifies that he had suspicions in June, 1837, that there was a deficiency in the bond account: *he communicated the suspicion to Mr. Phillips, the assistant-cashier, who answered him in a very laconic manner, 'that credit was given in the cash-book for all the bonds that were paid; the rest were in suspense.'*"

"Some of the witnesses best qualified to judge—the brokers of New York—state, in technical language, he [the collector] was a great operator in stocks in Wall Street; like all business of this description, it was liable to great fluctuations, Swartwout sometimes winning, at others losing large sums of