

am ready to revive them.—Surely those who urge that the accounts will not be settled, do not propose to fulfil their own prophecy.

It is certain therefore, that if there is a disposition in this house to prevent proper measures being adopted to procure a settlement, it will be disappointed.—I wish to remove this ground of objection, by urging the business of liquidation forward. If then provision is to be made for liquidating the accounts, the argument which I deduced from it remains in full force. All pretence of inequality is removed by it. It is a full answer to several other objections—it becomes unnecessary to ask whether State notes remain debts against this government after they have been received into the State treasuries; whether the United States are obliged to assume before the balances are found on a settlement; and whether the debts were wisely or unwisely contracted? It becomes immaterial to calculate how many parts in an hundred New-Hampshire, and how many Connecticut will pay; and how much Virginia has paid, and will now have to pay. What was wrong in the distribution of the burdens of the war will be rectified; and as to future payments, all the citizens will be upon a footing. As the gentleman from Virginia reasons with great candor, I am sure he will be sorry that in his observations he has wholly neglected, certainly through inadvertency, to notice an argument which seems on both sides, to be considered as absolutely conclusive. When I say that both sides allow this argument to be conclusive, I presume my meaning is understood as I formerly expressed it. For the answer to it is, that the accounts will not be settled; which admits the force of the reason, and rests the decision upon a point of fact.

Perhaps for the sake of simplicity and perspicuity, I ought not to pursue the enquiry as to the justice of the assumption any further. Tho' I mean to rely upon the argument I have stated, it will furnish an answer to some objections to urge another. It is said these are State debts, Congress has nothing to do with them.

When the war commenced, Congress had neither money, nor troops. They were so far from having a right to tax the States, that they had neither the powers of a government, nor a rule by which to require contributions. They appealed to the good will and patriotism of the States, and entreated them to furnish supplies to the extent of their power. The calls upon the States were not taxes or debts—but advances or loans to the public. This is explicitly and formally declared by the resolves of Congress. I have made some attempt to examine the journals in order to shew from them how totally unfounded the assertion is that these constituted debts against the States. But I found that the titles only of the resolves would fill a sheet of paper. Nothing can be more fully proved than the contrary, not only by the letter of the resolves, but by the conduct of Congress. In some cases, no regard was paid to the conjectural ratio by which the States ought to furnish men and supplies. In other instances some of the States were wholly omitted, and not unfrequently a single State was called upon for supplies. One of the most signal proofs, however, is that in the resolve of Feb. 9, 1780. It is expressly stipulated that if the States should furnish more than they are called upon for, the United States will stand charged with it. The resolve of Jan. 5, 1783, even in terms, recognizes the troops whom the States were to settle with as the creditors of the union, for whom good security must be provided.

This is an enquiry into the justice of the assumption. I reject therefore the forms of the transaction, and ask, whether, if the war had been confined to a corner, instead of spreading over the continent, and one State had incurred the whole debt of 80 millions, it would be just to leave the burthen upon that State? Consistently with the resolves I have mentioned, and the known sense of America, could it be called a State debt? I am sure of my answer, for the question extorts it.—The difference between the case I have supposed, and that which is in debate is only in degree—there is none in the principle.

It will be answered, perhaps, that it is true we owe the States. They are not finally to bear the burthen—let them pay what they owe and we will pay them.—This is a dangerous concession to those who make it, if the accounts are never to be settled, as it is urged by those who contend against the assumption. For it amounts to this—the debt is binding and yet it will never be paid. It presents them a choice of difficulties, it forces them to confess either that the assumption will not wrong you, or that the non-assumption will end in cheating such of the States as are your creditors.

It will be said it is true however, that the United States stand indebted to the States, but the creditors of the States have no just claim upon the United States.

There is a great difference between the justice that will be done by the assumption to the States, and to their creditors.

The States were called upon during the war to make advances. Accordingly they procured something by taxes, and still more was procured by paper money, which died in the hands of the possessor. They have also paid some part since the peace. So far the States as such, actually made advances.—But the principal part was obtained either by borrowing, or seizing private property, or by drafting men. So far the advances were made by individuals—and at periods so critical, and under such circumstances of violence and hardship, as to give a peculiar sanction to their claim upon the justice and honor of their country.

Justice plainly requires that these persons should be repaid, their interest at least, in all events, and without delay. Their claims, in every view, are perfect—most of them are original holders. But neither the justice of the case, nor the engagements of Congress require that the States should be repaid till the extent of their demand can be known. For readily admit that nothing more than the balances of their actual advances are due from the United States to the individual States. This has been urged against the assumption, but without foundation.—If a State paid more than its proper share the surplus should be repaid. But if a payment was only promised and is still to be made justice is due to the creditors and not to the State. The idea may be illustrated by considering the States as agents or contractors for the union, what they paid they claim for themselves, what they barely promised should be paid by their employers, who had the benefit of the debt, especially if the agent cannot or will not pay.—I cannot think it necessary to give any further answer to the question, so logically proposed with regard to the nature of the debts when redeemed; and in the State treasuries.

What remains due ought to fall not unequally upon States, but upon the whole society.—It ought if not paid sooner, to fall upon posterity. If some States should lose wealth and people, and others increase, if new States should join the union, or spring up within it, and the western wilderness be thronged with people, the burthen will be equalized upon all the citizens.—Liberty and independence were procured for the whole, and for posterity—why then should not all contribute to the price?

As it respects the army debt, the very terms of the bargain bind the United States. Congress promised to pay the men, but called upon the States to raise them. Afterwards, when the paper failed, the States were requested to make up the depreciation.—State notes were given for it, which remain due. Probably all the States cannot pay. In this instance not only justice, but your pledged faith require you to pay them; you have asked their services, and had them; you have promised to reward them, and they remain unrewarded. I have already supposed the case of the whole debt being thrown upon one State. If instead of the whole debt, its zeal or the necessity of its affairs had pressed a State forward to exceed, and in its distress to disregard, its ability to pay, and accordingly had run in debt three times as much as it can pay—that the war had scattered its citizens and wasted its property—are the officers and soldiers who expelled the enemy, and who did not care which State line they served in, to be told, you served the United States; but you are the creditors of South-Carolina? It is true, you shed your blood for us—by your valour, we fit here—we have seen your wrongs, and when it would do

you no good, because we had no power, we told the world how deeply we lamented them. But go home and starve.—Would not this wing drop from their hearts, and plant thorns in our own?

The like reasoning will apply to another description of the debts to be assumed—to the certificates given by the commissaries and other officers of the United States, and since assumed by the particular States. You cannot deny your own by calling them State debts.—A great part of the debt of South-Carolina is said to be of that kind. Is that State to be crushed with a weight which it cannot bear, or are the creditors to be ruined because the State will be undone, if they are not? Or how will this comport with the principle admitted on both sides of equalizing the expences of the war?

The best fund of the States, and hitherto the only one of the union, the impost has been taken away by adopting the constitution. Let the debts follow the funds. Let the world judge whether the generous confidence of the State creditors in the public justice ought to be abused, and whether they ought to be made to repent the cordial support which they gave to the new constitution. The force of this argument may be inferred from the uncommon pains which have been taken to destroy it. The fact is denied, and the issue of the question has been boldly rested upon this point, that the States most urgent for the assumption were not incapacitated from providing for their debts by the surrender of the impost. The impost collected in New-Hampshire is called the amount of that State's contribution to the union, and the ratio by which she ought to contribute is taken from her present representation. I wave, at this moment, all comment upon the unfairness and fallacy of this mode of computation. I proceed to observe, that an uncommon use is made of the result. According to her number of representatives, that State ought to pay one twentieth, and yet no more than an hundredth part of the impost of the union is paid by that State, or rather collected in it—of course, it is gravely said, it will have four-fifths of the sum which it would have had to pay, if the debt had been assessed upon the union before the constitution was framed, and this saving to the State may apply to the discharge of its debt. But, first, such requisitions never were paid, and never could have been paid by the States. Experience had taught us, that it was not to be expected, nor was it in their power.—This indeed was one of the principal reasons for adopting the constitution. Are we seriously addressed, when we are told, that the savings of a revenue, which did not exist, that four-fifths of nothing may be applied to pay the State creditors? Without further regarding the ridicule of the argument, let us trace the fact. The debt of New-Hampshire is said to be about 230,000 dollars.—The yearly interest at 4 per cent. is upwards of 9000 dollars. The impost and tonnage collected in that State from August to December, is near 8,000 dollars. So that the impost of that State, tho' far short of her actual contribution to the common treasury, will, in the whole year, greatly exceed their interest which assuming her debt will throw upon the United States. Here then the fund surrendered by that State is more than adequate to the debt which ought to follow it. The whole cause has been hazarded on the fact, and here the fact is against him who appealed to it. May I be permitted to ask, whether it is not to be lamented, that thro' inadvertency or mistake, the whole fact was not mentioned? May I demand why the non-importing States were preferred to the importing States for calculating the impost? Massachusetts collected under a State law near 150,000 dollars impost yearly. This falls short of her present collection under the law of the union, which is nearly equal to the interest of her debt. The excise would have supplied the deficiency, and that fund you are about to invade. It would be wrong to take away funds, tho' inferior to the discharge of interest, and yet to leave the whole debt upon the State. If the funds surrendered were equal to the debts, it has been admitted that the union ought to take the debts also. The injustice of rejecting the debts, and taking the impost to a less amount, differs only in degree.—But why was New York passed over in silence? The interest of the debt of that State would not equal the impost collected within it. What will you say to that State?

The candour and impartiality of the committee will be exercised in deciding whether the arguments so often urged in favour of the assumption, that you ought to take the debts with the impost, has lost any thing of its force by this investigation of facts: What is asserted on one side, and denied on the other, after a strict enquiry, ends in the same point.

(To be continued.)

THURSDAY, JUNE 24.

Sketch of the Debate

In Committee of the whole on the report of the select Committee, on the Memorial of the Officers of the Navy.

MR. SHERMAN observed, that by the memorial, and the report, it appears, that the Memorialists do not pretend to have any claim on the public by virtue of any existing resolutions of Congress. The subject is very fully before the Committee—it lays with Congress therefore to determine, what is proper to be done in such circumstances. The application stands entirely on the basis of its own merits, and he could conceive of no difficulty in deciding on it.

Mr. Stone observed, that it is true there is no claim by virtue of any antecedent contract or promise—nor was Commutation, he believed, promised to the officers of the army. In this view the officers of the navy stand exactly upon the same footing with those of the army. He then entered into a consideration of the merits, services, and sufferings of the Officers of the Navy—and from these and other considerations, urged the justice of their claim, as he could see no reason for the difference that had been made.

Mr. Huntington said, there is but a little consideration necessary to recollect the reason of the difference between the officers of the navy and army.—The officers of the army were first in the public service—the navy was not formed till some time after hostilities commenced—the officers of the navy were put on the same footing in respect to pay as the army—the former had some advantages in point of rank—and they were entitled to a part of their captures.

He then gave an account of the origin of commutation—which was granted on account of the peculiar exigences of affairs at that time.—During the time this business was in agitation, there were very few navy officers in the public service, and no application was made by them for half-pay or commutation.—They were ashore, and many of them had retired to civil life.—The reason therefore why they were not included in the Commutation was, there did appear at the time any necessity for the measure, as the United States did not then want a navy—whereas the public exigences with respect to the army were such

as rendered the resolution for the Commutation to them absolutely necessary—he however thought the claim of the Navy Officers founded on justice—and justice said he is the strongest plea that can be urged in support of any demand whatever.

Mr. Hartley supported the memorial, he gave the officers great credit for their bravery, services and attachment to the cause of their country—he dilated on the hardships and sufferings they endured—he adverted to the advantages they derived from captures—which he stated to be very inconsiderable—their claims said he, appear to me to be founded on the strictest and most partial justice—he hoped therefore that the report would be accepted, and a committee appointed to bring in a bill accordingly.

Mr. Baldwin, who was one of the select committee which made the report, stated some of the reasons which influenced the committee—also the considerations which were supposed to have led to the distinction between the navy and army, in respect to commutation—one of which was, that the officers of the navy were in the line of their particular calling, and which they were enabled to pursue with perhaps greater advantages than they ever did before.—Other circumstances were mentioned by him tending to invalidate their claim.

Mr. Sherman observed, that if this report is adopted, it will open a very wide door indeed to applications for half-pay or commutation. He then gave a history of the origin of commutation or half-pay—which he said was considered at the time, as a measure of necessity—and not of justice—and has been very much complained of by several of the States. The above necessity did not exist with respect to the officers of the navy—as at the time there were but 2 or 3 ships in service. From this state of facts he inferred that no precedent could be drawn in favor of extending the Commutation to the officers of the navy. He thought that their case was entitled to the consideration of the Legislature on the principles of equity—he should therefore be for the Committee's making full enquiry into the circumstances of the whole business—and making such provision as justice should point out—but he was against the report in its present latitude.

Mr. Burke replied to the observations of Mr. Baldwin, respecting the officers of the navy being in the way of their profession—and from the nature of the service he shewed, that there was little weight in the observation—their circumstances were very much altered for the worse—and that they were now left in a very destitute situation—whereas the officers of the army are enjoying posts and places of honor and profit. Their silence on the subject had been mentioned.—He observed that their dispersed situation had been the principal reason of their not coming forward with their petition before.—Mr. Burke observed, that the officers of the navy were not treated like other prisoners, when they were taken, they suffered peculiarly, not as prisoners of war, but were treated like rebels, whose crimes were of the blackest nature.

Mr. Seney said he was, and always had been, an advocate for the claims of the officers of the navy—he thought their memorial founded on the strictest justice—he introduced the representation to Congress of the "illustrious" commander in chief of the late army on the subject of half-pay and pensions, which he read.

He then entered into a comparative view of the relative merits of the army and navy—and said it was well known that many of them made as great sacrifices as the other description of officers. With respect to prize money, he doubted whether they had ever been benefited by it. In some instances where they had expected the most; they had, through the failure of agents, received only a certificate worth about five shillings in the pound; and that received only for a part of what was due. He replied to the several objections which had been offered, and concluded by saying, it would be unjust and impolitic not to grant their claims.

Mr. Sedgwick observed that no gentleman in the committee had deeper impressions made upon him, by the grateful recollection of the merits and services of those brave men, to whom America owed its freedom, than himself. Yet under the present circumstances of the country, he thought it a duty he owed the people who had confided their interest to his management, to examine, on principle, the demands which were made upon the government for pecuniary grants. The applicants in the present instance did not place their demand on the ground of contract. For the contract under which the services had been rendered, had been complied with according to the specified terms, and performed to the extent of the powers of the government, in the same manner as other claims of a similar nature had been satisfied. It was further, he said, to be noticed, that during the time those services were performing, no dissatisfaction had been manifested by the present memorialists. From these observations then, it clearly followed, that in point of contract, the claims of the officers of the navy were in all respects similar to those of every other individual in the community, who had received satisfaction by the same means. It would