

bring the business before the committee in a proper point of view: He conceived the subject of his first resolution, viz. to fund the debt the present session, was the first question to be taken into consideration. In order to bring before the committee a just and adequate idea of the debt, he recurred to the journals of the late Congress: He commenced his researches with the year 1779; and read the resolves, declarations, addresses and engagements of Congress from period to period relative to the loans, services, supplies, &c. He then said, that he conceived that there was not a person within the sound of his voice, possessing the feelings of honor and humanity, who would harbor an idea against funding the debt of the United States: He touched on the public sentiment—the present situation of the country; and after repeating some of the observations contained in the report of the Secretary, said, he doubted not that the question for funding would meet the ideas of a decided majority of this house: The manner how this should be done will be an after consideration: He concluded by observing that he felt full confidence that before the present session should be closed, the arduous and important business would be completed.

Mr. Fitzsimons read in his place several resolutions affirmative of the great objects contained in the report of the Secretary, which he laid on the table: They are as follow:

Resolved, That adequate provision ought to be made for fulfilling the engagements of the United States in respect to their foreign debt.

Resolved, That permanent funds ought to be appropriated for the payment of interest on, and the gradual discharge of the domestic debt of the United States.

Resolved, That the arrears of interest, including indents, issued in payment thereof, ought to be provided for on the same terms with the principal of the said debt.

Resolved, That the debts of the respective States ought, with the consent of the creditors, to be assumed and provided for by the United States.

Resolved, That it is advisable to endeavor to effect a new modification of the domestic debt, including that of the particular States, with the voluntary consent of the creditors, by a loan, upon terms mutually beneficial to them and to the United States.

Resolved, That for the purpose expressed in the last preceding resolution, subscriptions toward a loan ought to be opened, to the amount of the said domestic debt; including that of the respective States, upon the terms following, to wit:

That for every hundred dollars subscribed, payable in the said debt (as well interest as principal) the subscriber be entitled, at his option, either

To have two thirds funded at an annuity, or yearly interest of six per cent. redeemable at the pleasure of the government, by payment of the principal; and to receive the other third in lands in the Western Territory, at the rate of twenty cents per acre.

Or, To have the whole sum funded at an annuity or yearly interest of four per cent. irredeemable by any payment exceeding five dollars per annum on account both of principal and interest; and to receive as a compensation for the reduction of interest, fifteen dollars and eighty cents, payable in lands, as in the preceding case.

Or, To have fifty-six dollars and two thirds of a dollar funded immediately at an annuity or yearly interest of six per cent. irredeemable by any payment exceeding four dollars and two thirds of a dollar per annum, on account both of principal and interest; and to have, at the end of ten years, twenty-six dollars and eighty-eight cents, funded at the like interest and rate of redemption.

Or, To have an annuity for the remainder of life, upon the contingency of living to a given age, not less distant than ten years, computing interest at four per cent.

To have an annuity for the remainder of life, upon the contingency of the survivorship of the youngest of two persons, computing interest, in this case also, at four per cent.

Resolved, That immediate provision ought to be made for the present debt of the United States; and that the faith of government ought to be pledged to make provision, at the next session, for so much of the debts of the respective States, as shall have been subscribed upon any of the terms expressed in the last resolution.

Resolved, That the funds which shall be appropriated according to the second of the foregoing resolutions, be applied, in the first place, to the payment of interest on the sums subscribed towards the proposed loan; and that if any part of the said domestic debt shall remain unsubscribed, the surplus of the said funds be applied, by a temporary appropriation, to the payment of interest on the unsubscribed part, so as not to exceed, for the present, four per cent. per annum; but this limitation shall not be understood to impair the right of the non-subscribing creditors to the residue of the interest on their respective debts: And in case the aforesaid surplus should prove insufficient to pay the non-subscribing creditors, at the aforesaid rate of four per cent. that the faith of government be pledged to make good such deficiency.

Mr. Page moved that the report of the Secretary should be read. The Clerk then commenced reading, and having proceeded as far as the 11th page—it was moved that the committee should rise: They accordingly rose, and the House adjourned.

TUESDAY, FEBRUARY 9.

The memorial of sundry inhabitants of the town of Salem, presented yesterday, was on motion of Mr. Goodhue taken up for a second reading, and referred to the Secretary of the Treasury.

Mr. Benson presented the memorial of Brigadier General Donald Campbell, praying that an investigation of his claims against the United States may be made.

Mr. Boudinot presented a petition from the contractors for carrying the mail through New-Jersey, which was read, and referred to the committee appointed to take into consideration the regulation of the post-office.

In committee of the whole on the report of the Secretary of the Treasury.

Mr. Page proposed that those gentlemen who had brought forward certain resolutions, should direct the attention of the House to those parts of the report to which they mean particularly to refer, that such part may be read.

Mr. Smith, (S. C.) withdrew the propositions which he laid on the table yesterday.

The resolutions proposed by Mr. Fitzsimons were then read by the Clerk.

The first resolution being read by the chairman; and the question being taken on the same, it passed in the affirmative unanimously.

The second resolution was then read, on which Mr. Jackson rose and observed, that tho he had as great a sense of the merit of our public creditors, those who had fought our battles, and had effected the independence of America as any man; yet there is a question on the subject before the House, which he conceived of as great consequence as any that had been suggested, and that is whether the present is the season for funding the domestic debt of the United States. He then reprobated funding systems altogether: Adverted to the effects which had been experienced from them in Florence, Genoa, and Great-Britain; and asserted that some of those States had lost their independence through the debts which had thereby been entailed on them. Great Britain by adopting a funding system, has accumulated a debt which they never can get rid of.

From these remarks he inferred the pernicious consequences of a system for funding the debt of the United States; and referring to the present unrepresented State of North-Carolina, and the uncertainty with respect to the quantum of the debt; the state of the western territory, &c. concluded by moving that the report should lie on the table for further consideration.

Mr. Sherman observed that the present question before the committee is simply, whether the debt shall be funded: The various

particulars to which the gentleman last speaking alluded, are not now before the committee: Whether the debt shall be placed upon irredeemable funds, is a subject of future consideration.

Mr. Smith made some observations in reply to Mr. Jackson.

Mr. Jackson moved that the committee should rise, which motion being put, was negatived by a great majority.

Mr. Bland enquired why there was a difference in the phraseology of the two first resolutions? He could not see the propriety or justice of making a discrimination between our domestic and foreign creditors. We have pledged ourselves by adopting the first resolution to fulfil our engagements to our foreign creditors, before we have ascertained whether we are able to do it; but the resolution respecting our domestic creditors, leaves them in a very different situation. He wished to be informed for what reason the difference was made, as he meant to propose a substitute for the resolution now under consideration.

Mr. Fitzsimons in reply informed the committee that the circumstances of the foreign debt were such, as left no alternative, but that of coming to a precise and definite resolution upon the subject. With respect to the domestic debt, agreeable to the report of the Secretary of the Treasury, a different plan of procedure is offered; still the modification proposed is to be submitted to the option of the creditors.

Mr. Bland then read a resolution respecting the domestic debt, which was similar to that adopted respecting the foreign debt; this he proposed as a substitute for the second resolution.

Mr. Livermore entered into a consideration of the circumstances under which the domestic and foreign debts were incurred, and gave it as his opinion that the United States are not under obligations to make a specific provision for the domestic debt agreeable to the face of the securities which are considered as the evidences of the debt. With respect to the foreign debt, it is for loans received from persons no ways interested in the revolution of the country, and it must be paid. He was opposed to the resolution in its present form, as it went to make an unqualified provision for the domestic debt.

Mr. Bland said, there was no man who will go further than himself in fulfilling to the utmost of his power, every public contract, and to pay the bona fide debts, both foreign and domestic, of the United States, to the utmost farthing. On this principle it was, that he proposed the resolution he had offered, as it appeared to be the only way of bringing the subject fairly before the committee. He could not see the propriety of the discrimination made by the gentleman last speaking, between the foreign and domestic debt, as the fact is, that by transfers the foreign debt is now become in part the property of the citizens of the United States, and on the other hand great part of the domestic debt is alienated to foreigners. He therefore offered the resolution which he had read—if he was seconded he should be glad, if not, he should set down contented.

Mr. Scott in a speech of some length on the subject, observed, that the legislature of the United States is to be considered on this occasion as sitting as referees in a case of equity and justice—the only enquiry therefore is, what is the sum which the United States absolutely and bona fide owe—if on enquiry it is found that the ostensible demand is double what ought in justice to be paid, they will determine accordingly, and strike off that half, nor can we answer it to our constituents to make provision for paying one farthing more than the sum which on a full investigation of the subject shall appear to be due—He concluded by moving an amendment to the resolution by adding the following words, viz. as soon as the same shall be ascertained, and duly liquidated.

Mr. Boudinot replied to Mr. Scott—and controverted the principle he had advanced that Congress was to be considered as a judicial body on this occasion—He stated the terms on which the debt had been contracted, the dependence which the creditors had of obtaining final justice from their country; the pernicious consequences that would result from adopting such a principle, as it would destroy every vestige of confidence in the honor of the United States, and put it entirely out of our power to effect any future loans, let the emergency be ever so great.

Mr. Lawrence said, that the object of the gentleman from Pennsylvania, appears to be a re-liquidation of the debt of the United States, on a supposition that the evidences which the creditors have obtained are for a larger sum than they ought to have received for their supplies and services; but what is the tendency of such an investigation of the business—does it not involve the grossest impeachment of that government under which the debt was contracted—does it not tend to throw an equal proportion of the burthen incurred in the acquisition of our independence upon one particular class of citizens, whose merits and services certainly entitle them to different treatment—the whole body of the people have received an equivalent for the whole debt—and this scheme of re-liquidation will produce a discrimination which will prove cruelly injurious to a class of citizens who have contributed perhaps the most to the success of the country in their late arduous struggles, by reposing the fullest trust and confidence in the justice and honor of the States.

Mr. Jackson observed that however the idea of a discrimination may be reprobated by the gentleman last speaking, the question will certainly come before the House. There is a discrimination between the foreign and domestic debt, which every man must acknowledge. The foreign debt is due from those who are creditors to the United States: Surely these creditors will be willing to pay, or make provision to pay their debts, before they will clamor against the government for their demands. This shews that the consideration of the domestic should be deferred, while the foreign debt ought to be immediately provided for.

Mr. Ames went into a particular examination of the doctrine advanced by Mr. Scott, and shewed the pernicious consequences that would result from its operation, as being subversive of every principle on which public contracts are founded. That the evidences of the debt possessed by the creditors of the United States, cannot in reason, justice, and policy, be considered in any other light than as public bonds, for the redemption and payment of which the lands, the property, and labor of the whole people are pledged. The public in this case, is as it were personified; nor is there any conceivable difference, except it is in favor of the creditor, between the public and an individual in this case. On this idea the public is trusted; and for them to assume the office of judge on the occasion, is a meer arbitrary act of power, which never can be exercised, but to the destruction of the essential interests of the people, and must terminate in a dissolution of the social compact.

Mr. Sherman said that he agreed in sentiment with the gentleman from Pennsylvania in part, but could not extend the operation of the principle to such a length as he did. The Legislature must necessarily act in a judicial capacity in some cases: It judges of accounts exhibited against the government, and determines upon them: He instanced in a variety of particulars, the interference of this power, and which, said he, cannot reasonably be objected to; but this power cannot be extended to judge upon debts that are acknowledged by the government; in this light he considered the liquidated debt of the United States: On which the Legislature can have no more right to judge than an individual who is a party to a private contract: For if they can thus interfere, the credit of the United States is placed in a very deplorable situation indeed. He moved to confine the provision to that part of the debt which is already liquidated.

Mr. Goodhue reprobated the idea of discrimination, and re-liquidation. He observed, that if the object is to take advantage of the depreciated rate of public securities, it will be wisest to defer all further consideration on the subject at present, for the purpose of availing ourselves of a still lower rate of depreciation.

Mr. Scott enforced the general ideas of his former speech, and to justify the sentiment adduced sundry instances of the conduct of the parliament of Great-Britain, in raising houses and making high ways over the places where they stood, and other invasions of private property—he contended the debt stood on a similar foot-

ing with other contracts on which questions of equity and justice may arise and be determined with the greatest propriety.

The debate was continued, by several of the gentlemen speaking repeatedly on the amendment—Mr. Stone, Mr. White, and Mr. Sedgwick added a few remarks. The time being expended, and several gentlemen expressing a wish to revolve the subject still further in their own minds—a motion was made that the committee should rise—which being put was carried in the affirmative—The House then adjourned.

EXTRACT

Of a Letter from London, dated November 2, 1789, continued from No. 85, of this Gazette.

THE objects that rise into view, in reading the debates of Congress impress a most favorable idea of the situation of America. Your citizens seem to be contemplating useful points in the science of morality and government. Every subject is discussed on rational grounds, and decided upon the real merits of the question. The important truth seems to be acquiesced in, that public honesty is the only basis of public happiness. What improvements may not be expected from a people who are so fast progressing into habits of order, economy and justice! This is the more pleasing to the philosophic mind, as this reformation in your affairs is effected by the free consent of the people at large. There is no force or deception in the matter. The citizens of the United States, having experienced most bitterly the effects of a want of public credit, and of deranged finances, come forward voluntarily and enter into arrangements to bind themselves to be honest and virtuous. It is a noble triumph of reason over error. It reflects the highest honor on your country, and if this spirit of reformation can be kept alive till your public credit is effectually established, your nation will be held up as a model to all the world. The name of America will found gratefully in the ears of every philosopher on earth.

The approaching session of your Legislature will be an interesting one. From the measures then to be adopted, your government must take its character. The executive officers will no doubt faithfully collect information relative to their different departments; and I presume the Legislature will weigh with candor, the plans that may be suggested. The greatest danger to be apprehended in your public affairs, is a jealousy between the different branches of government. I could perceive by the debates that the representatives were not free from a suspicion, that the executive officers would establish too powerful an influence. It is very certain that men of abilities and rectitude will have influence in whatever department they are placed. This circumstance should not create so much jealousy as to prevent men of talents from acquiring confidence, and promoting the public good by their exertions. All men in office should be controuled by certain checks that are interwoven in the institutions, under which they act; but it will always be found that a temper of suspicion indulged by individuals against public characters; or by one branch of the government against the other, will impede public business and be attended with no useful consequence.

NEW-YORK, FEBRUARY 10.

Yesterday the President of the United States was pleased to nominate, and by, and with the advice and consent of the Senate to appoint the following persons to office in the State of N. Carolina.

- Wilmington, James Read, Collector.
- John Walker, Naval Officer.
- Thomas Callender, Surveyor.
- Newbern, John Daves, Collector.
- Beaufort, John Easton, Surveyor.
- Washington, Nathan Keais, Collector.
- EDENTON DISTRICT.
- Edenton, Thomas Benbury, Collector.
- Hertford, Joshua Skinner, jun. Surveyor.
- Murfreesboro, Hardy Murfree, Surveyor.
- Plymouth, Levi Blount, Surveyor.
- Skewarkoy, Henry Hunter, Surveyor.
- Wynton, William Wynns, Surveyor.
- Bennets Creek, John Baker, Surveyor.
- CAMDEN DISTRICT.
- Plank Bridge, on Sawyers Creek, Isaac Gregory, Collector.
- Nixonton, Hugh Knox, Surveyor.
- Indian-Town, Thomas Williams, Surveyor.
- Pasquotank River Bridge, Edmund Sawyer, Surveyor.
- Newbiggin Creek, Elias Albertson, Surveyor.

FROM CORRESPONDENTS.

It was made an objection to the new Constitution, that the elections of Representatives should be biennial; but happy will it be for our country, if we do not find that that period is too short. To ensure their future election is often found the influencing motive of conduct to too many in the last session of an existing Legislature: Hence that independency of spirit, that sacred regard to truth, that inflexible adherence to the best measures, popular or unpopular, which distinguish the real patriot, are seldom found to govern the decisions of those, who feel conscious that a fortuitous concurrence of circumstances, and not merit, has made them the objects of the people's suffrage in times past.

The principle of responsibility has a very powerful operation with such characters, when they are about to revert to the mass of the people; but what kind of responsibility is it? Not to account for the free and independent exercise of their own judgment, on the important subjects of deliberation in the Legislature; but to satisfy their particular constituents, that they have made it their study to fulfil the particular wishes of their creators. Hence the people! the people! is often the burden of the song to those who never gave any other evidence of their patriotism but a prostitution of every principle of honor at the shrine of popularity.

I remember to have heard an old veteran in the cause of freedom say, he always suspected the honesty of that man's principles, who is so devilish peoplesh: For certain it is, that those Legislators who are only solicitous to please the present humors of the people, must often advocate measures subversive of their essential rights.

If Legislators are to be considered as the guardians of the public liberty, it necessarily follows, that as communities, as well as individuals are liable to infatuation, the upright patriot must stem the popular impulse on such occasions, tho he will thereby render himself odious for a time.

On Monday the Grand Jury for the United States of this district, gave a very elegant entertainment to the Chief, Associate, and District Judges, The Attorney General and the officers of the Supreme and District Courts, at Fraunce's Tavern in Courtlandt-Street. The liberality displayed on this occasion and the good order and harmony which presided gave particular satisfaction to the respectable guests. After dinner the following toasts were drank.

1. The President of the United-States of America.
2. The Vice President of the United-States of America.
3. The National Judiciary.
4. The Senate of the United-States.
5. The Speaker and House of Representatives of the United States.
6. The late National Convention.
7. The Constitution of our Country: may it prove the solid fabric of American liberty, Prosperity and Glory.
8. The Memory of those Heroes who fell in the defence of the Liberties of America.
9. His most Christian Majesty and the People of France.
10. Their High Mightinesses the States General of the United Netherlands.
11. The friendly powers of Europe and the friends of liberty throughout the Globe.
12. May the blessings of peace be long the happy lot of our Country, and every Citizen of America, feel himself deeply interested, in the due execution of the laws of the Union.
13. The Convention of Rhode-Island. May their wisdom and integrity soon introduce our stray sister to her station in the happy national family of America.