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THE TABLET.

No. XCI.

(Continued from the laſt number.)

"We are apt to form general concluſions from too ſmall a number of particular caſes."

AS ſome ſtriking inſtances can be produced of the hardſhips ſuſtained by original claimants, it leads us to imagine that original creditors, who have alienated their certificates, are a claſs of people, entitled to general relief. But thoſe who are intimately acquainted with the hiſtory of public ſecurities muſt have formed a very different opinion. The heavieſt loſſes that have accrued by the fall of ſtocks, have happened to intermediate holders. I know a perſon who purchaſed thirty thouſand dollars in final ſettlements, at the army, for ten ſhillings on the pound: He ſold them, two years afterwards, for one fourth part of the ſum he paid for them. This diſtinguiſhed ſufferer makes little complaint and excites no pity. The ſoldiers who ſold their claims on unfavorable terms, excited attention becauſe they complained loudly. Many of the certificates, it ſhould be remembered, were originally iſſued in ſmall ſums; and an hundred thouſand dollars ſold at a diſadvantage brings forward numerous individuals to complain; and yet the aggregate loſſes of ſuch complainants bear no proportion to the aggregate amount of certificates, ſold on beneficial terms by original creditors. Thoſe who negociated their paper early got a good price. They are contented and nothing is ſaid about them.

The moſt conſiderable branch of the domeſtic debt conſiſts of loan certificates. Theſe muſt have ſold without any diſcount, during the whole period that the loans were opened. It is evident that while the United States were daily making new loans, certificates muſt have been negotiated at par; for if a perſon could purchaſe at market, at any given diſcount, why ſhould he lodge his money at an office and take out ſecurities at par. The fact proves itſelf, that while the public could ſell certificates at par, no perſon was compelled to ſell at much diſcount. The principal transfers that original holders of ſuch certificates have made, muſt have been while they commanded a good price.

The army debt is that, in which, the principal injury is ſuppoſed to have happened to the original claimants. There are perhaps more hard caſes among the ſoldiers than among any other portion of the creditors; but ſtill the aggregate amount of their loſs is not ſo conſiderable as has been imagined. The ſoldiers of the main army have not generally any reaſon to complain. They anticipated their pay long before it was received, and obtained from eight to ten ſhillings on the pound. There were many traders and ſpeculators about the main army, who raiſed a competition in the purchaſes, that operated in favor of the ſoldier. Thoſe troops that were detached from the main army, had not the benefit of ſelling to ſpeculators, in ſuch ſeaſon, as to obtain the beſt price. It happened unfortunate for the ſouthern army under the command of General Greene, that they were not in a country, where adventurous monied men ſpeculated in public paper. By this means, that part of the army made great ſacrifices, in the diſpoſal of their ſecurities. This was unavoidable; but it does not authorize a concluſion that other creditors who were not ſo ſituated, ſuffered ſimilar inconveniencies. As theſe facts are generally known to men of obſervation, I have no occaſion to enlarge.

In my next number, I will examine the queſtion, whether original creditors have generally been compelled by neceſſity to ſell their certificates.

FOR THE GAZETTE OF THE UNITED STATES.

MR. FENNO,

THIS is an awful criſis. The deciſion of Congreſs on the public debt renders it eminently ſo. To retain the confidence of the *wiſe*, the *well-informed* and the *honeſt* of the whole world, Americans and Foreigners, is the taſk aſſigned them. To their native ſtock of wiſdom and virtue let them carefully, aſſiduouſly and anxiouſly ſtrive to add all the information they can obtain. A well-informed conſcience is the beſt human guide. The Legiſlator who errs, with that conductor, is lightly cenſured by his conſtituents, and will be forgiven by Heaven.

However ſolicitous Congreſs may be for public credit as the indiſpenſable means of maintaining the future proſperity of the nation, they muſt not lay themſelves open to opinions that they have done more than the preſervation of public credit requires. An enquiry ſhould be inſtituted to determine *the ſubſtantial juſtice* of the original contract, for public credit requires no more to be rendered to any man, whether a purchaſer, a lender, or a renderer of ſervices. Gratitude may ſuggeſt more, but public credit will be completely maintained by the performance of ſubſtantial juſtice fairly and accurately aſcertained. Far be it from rulers of a generous people to ſtill the hallowed voice of gratitude; but let us ſuſpend our obedience to its dictates till the more ſacred requiſitions of juſtice be fulfilled. It may be neceſſary to exemplify the idea here contemplated. Many contracts were formed in Auguſt 1777, for example, between the United States and individuals, which, by the preſent regulations, are conſidered as ſpecie, tho it is a fact eaſily to be aſcertained, that the money by which the obligation was created in ſome inſtances, and in which it could have been juſtly diſcharged in all the reſt, was really and truly worth but 35 to 40 pr. cent. Does then ſubſtantial juſtice require more to be paid? Does public credit require more to be funded? Will a well-informed conſcience permit the holder of the certificate to aſk more? Will a wiſe legiſlator, with a *perfect idea* of public faith, if at the ſame time he has a due regard for the eaſe and property of the people, conſent to give more. If Congreſs ſhould finally allow one hundred dollars in ſpecie for that which in no way whatever would have brought, on the day of the contract, more than thirty five or forty dollars, will they manifeſt to their conſtituents and to foreign nations, the neceſſary ability to eſtimate the true value of their obligations, and a ſufficiency of that prudent regard to economy, which, while it is perfectly reconcilable with ſtrict and ſubſtantial juſtice, is indiſpenſably neceſſary to preſerve the public confidence? Will they not appear willingly to ſacrifice their conſtituents to a ſwoln demand of miſtaken or miſtated Juſtice? Let us conſider what will be the conſequence of ſuch opinions ariſing among foreigners. It is to be feared that they will think us an inconſiderate or neceſſitous nation, with whom any terms may be made for ready money; or that our councils are corrupted, and that from venal cauſes hath proceeded a law, which, while it grants them unneceſſarily 60 or 65 pr. cent. provides the ſame for ſecret owners of certificates among the members of our government. Let us alſo well conſider what would be the conſequence of ſuch opinions ſhould they ariſe among the people of America.

If an examination were carefully made into the operation of this unexceptionable touch ſtone of ſubſtantial juſtice, upon the various debts of the union and of the States, a great and rightful reduction of their immenſe amount will be the conſequence. Let it not be ſaid that it will produce too much delay, for juſtice is the object. Let not an ill judged economy of time occaſion a profuſion of public money. Let not the huſbandman be twice condemned to pay, by the ſweat of his brow, the debts occaſioned by the late diſtreſsful war. NECKER.

CONGRESS.

HOUSE OF REPRESENTATIVES.

TUESDAY, FEB. 16, 1790.

IN committee of the whole, on the Report of the Secretary of the Treaſury.—Mr. Madiſon's motion for a diſcrimination under conſideration.

Mr. JACKSON, obſerved that——although as young a politician as any on the floor, and that he was convinced the weight of experience was againſt him—on ſo important a national ſubject he could not be ſilent; particularly as he had the honor of ſeconding the gentleman's motion (Mr. Madiſon) now before the houſe; that it would be therefore expected he ſhould bring forward his reaſons, and the principles which actuated him to it. He confeſſed that had he not before leaned to the ſide of a diſcrimination, the arguments of that able gentleman would have induced him to ſupport the plan he had brought forward. He was induced on another motive to riſe, to ſhow that the numerous arguments of the gentlemen in oppoſition yeſterday, had not convinced him of the impracticability or injuſtice of the compoſition.

The houſe ſaid he, were told much yeſterday of the moral obligation we are under of paying our debts, and the impolicy and injuſtice of interfering with private contracts. The obligation, I believe is no where denied; the debt is of the higheſt nature; it is the price of our independence; the only difficulty is, how that debt ſhall be diſcharged. I would here obſerve, that the juſtice of the plan before the houſe has not been ſo fully objected to as the impracticability, although it has been aſſerted unjuſt by ſome of the gentlemen who have ſpoken.

I will conſider the juſtice of the propoſition. The houſe has been told the nature of thoſe contracts, and the valuable conſiderations of them. The contract, falls under the legal terms of *do, ut des*; I give that thou mayeſt give—or, I give that I may receive. In all contracts there are three requiſites: 1ſt. The agreement; 2d. The conſideration; 3d. The thing to be done or omitted. The conſideration is, to be an equivalent or full recompence for the thing to be performed Let us examine what this thing to be done is, and what theſe conſiderations are. The creditor, who has to perform the third article of the contract, held 20s. which was to be given for a valuable conſideration; what was this conſideration? 2s. 6d. I argue, that if this 20s. was worth no more than 2s. 6d. the contract was fair and ſubſtantial; but if gentlemen carry the idea farther, and declare this 20s. was money of equal value with the 2s. 6d. given, I contend that the contract was deſtroyed: equity would believe, would declare it an unrighteous bargain, that there was not an adequate compenſation, and would ſet aſide the contract.

But a gentleman (Mr. Lawrance) has told us that equity has fixed rules, and that none of thoſe rules would apply. I agree with him, that it is as neceſſary for a court of equity to be confined by rules as a court of law; but excluſive of the former caſe I have mentioned, there are two others under which the preſent caſe comes—misfortune and overſight. I would quote, Blackſtone, did I not expect, as in former inſtances, to be complained of by that gentleman for it. Here, has been one of the greateſt of misfortunes; a calamity attending a whole community, a government unable to pay its debts. Here is likewiſe an overſight equal to it. Is it poſſible for the poor ſoldier, uninformed, to foreſee, when he ſold his certificates, that they would riſe to the preſent value? or that he could anticipate the preſent day, and a ſecond revolution? Equity, then, requires ſome mode of juſtice, and the tribunal exiſts ſomewhere. I believe with my friend from Pennſylvania (Mr. Scott) that we are the tribunal; for equity muſt exiſt ſomewhere, or the government is at an end. The courts of law, and common courts of equity, have no power to interfere; they cannot compel us to their mode of funding our debts. The injury cries aloud for redreſs; iniquity is in the land, and we are bound by every principle of juſtice, to ſtep forward, and do what juſtice we can.

But perfect juſtice cannot be done, ſay gentlemen, and therefore we ſhould not attempt the buſineſs at all. The conſequences of this doctrine are fatal—they tend to a deprivation of all courts of juſtice—for there is no inſtance which can be adduced, where what is termed perfect juſtice is reconciled to the opinions of all, and where ſome objection cannot be raiſed.

But there is no government on earth, ſay gentlemen, which ever interfered with aſſignable contracts. This doctrine has been both countenanced and denied by gentlemen in the oppoſition. In their relation of the South Sea ſcheme, one gentleman told us that it did not apply, becauſe the government was not concerned, and that it was in conſequence of their agents villainous practices only; another acknowledged the government was concerned, and bid us take warning from it. I contend that the caſe is in point; but if there is any difference, it is in its exceeding the bounds of the preſent. The government of England were acceſſary—the parliament of England received 7,000,000l. for the privilege of permitting the company to take in the public debts—and allowed them to fund many millions on a footing not ſubject to their private debts; yet after all this countenance, the omnipotence of parliament aſſumed the ſupreme powers of equity—compelled compenſations, diſcharged debtors, and puniſhed thoſe who had done no more than comply with the letter of the law.

This doctrine was not then novel: in 1712 parliament interfered between the Royal African Company, and its creditors—not when the company was in a ſtate of bankruptcy, but for years before. The different nations of the world, beſides, notwithſtanding what gentlemen have advanced with reſpect to the conſtitution, and the impairing contracts—and the ſtates here, have followed it, have paſſed ſtatutes of limitation to actions, although it was not implied in contracts. The houſe has a right likewiſe to guard againſt frauds.

Public juſtice, he obſerved, has not been done; the ſoldiers, the original creditors, have not been paid; they have received but 2s. 6d. and there was 20s. due them. Many of thoſe creditors, and the war-worn ſoldier, are pining in retirement, in the moſt cruel ſituations, and condemning the injuſtice of that country which, in conſequence of their exertions, are legiſlating here this day.

If then public juſtice (which he contended the plan promoted) ſhould be done, public credit would follow—for juſtice is reaſon, and credit is a natural conſequence of reaſon; if the intereſt, as gentleman have told the houſe, is paid in paper or not, I do not conceive that the plan would in the leaſt affect it. It has not injured Britain in the example before the houſe.

Public faith, the houſe is informed, makes no diſtinction; the public faith, is pledged to the ſoldiery and citizens, who furniſhed ſupplies. It never has been fulfilled, 2s. 6d. was not the 20s. they were entitled to. This principle was even ſettled at home by that very Congreſs, ſome gentleman pay ſo much honor to. The ſoldiers were paid with depreciated money during the war; that Congreſs reliquidated their accounts.

A gentleman (Mr. Smith) has obſerved, that this plan places thoſe who have alienated in a better ſituation than the preſent original holder, by adding the 10s. to what he formerly received. I contend that the preſent original creditor would not be injured, nor would they grumble at ſeeing