

funds in contemplation are in his report. If then we find the articles he values will not produce the revenue, is it not better to let the measure rest until we see the means to accomplish it. Ought we not to be satisfied of the provision? Gentlemen have argued that we should fund first, and look for the means afterwards. What, he would ask, would be said of the man who, in private life, would run thirty or forty thousand pounds in debt, and after that seek the means of paying it? Would this satisfy his creditors? Yet this was similar to the present case. Sir, let us calculate this business not from theory, but experience. Let us know the amount and the means, and then if I conceive it for the general interest it shall have my sanction.

The gentleman has enumerated the state collectors, which will be requisite if the states continue the powers of taxation. I would ask him if Congress will not require double that number, two to one, if they take the power, and an army at their back, if the tax should be disagreeable. This tax must be rendered pleasing to the people, and notwithstanding the fiat of this house, if the people say it will not be so, we shall find our fiat of little benefit. In some of the states it will be disagreeable, at any rate, and they will not suffer the money to be again taken from their pockets where they have already contributed; Besides, let us consider the time and expence a continental arrangement will make necessary; take it in any sense and it will be found improper.

A gentleman has interpreted the amendment from North-Carolina to be, that Congress shall not compel her to pay twenty shillings in the pound. This he thought uncharitable, and that the gentleman should have looked to our own body first—to Congress. He would ask if Congress had paid her 20s in the pound? If her soldiers, and other creditors, had been so honorably dealt with? He was sorry it would not be found the case, and North-Carolina ought therefore to be let alone on this head. For his part he continued the amendment as diametrically opposed to the assumption, and he would leave it to the committee if it was policy to adopt the measure even on this single consideration. A bare majority, if the measure was carried, was all to be expected, and he would ask if this bare majority was to satisfy that state, or if her citizens would be satisfied with it. Suppose it carried by this majority, and they would not submit, was it intended to reduce them to obedience by force? Was this a language for freemen? He supposed not, reconcile them to the measure, bring forward your funds, shew them they are not to be oppressed, and you will accomplish the business much easier.

With respect to a settlement, it was the interest of the state he came from to procure one; but he despaired of it. He would venture to predict, if the assumption took place, a settlement would never be procured: nay, the Secretary himself had not contemplated it in his report as an event which would certainly take place: for he says, after finding out the mode eventually to be adopted, that the second or final success must depend upon the first; but suppose this settlement, have the arguments of the gentlemen answered the objections to the justice of the measure in taxing the citizens (of the states which have sunk those debts) twice over? For suppose them continental or state debts, still the injustice remains: if the former, the citizens have sunk their proportion of the continental debts, and therefore ought not to be taxed again: if considered as state debts, as they have been taxed for their own state debts, they ought not to be taxed for the debts of other states.

The gentleman last up (Mr. Hartley) has mentioned the quotas of the different states, and that they should be regarded; this he believed would not be the case if the assumption took place. The rule of apportionment, for instance, for Georgia, was at the rate of one ninetieth of the whole debts; she would pay the assumption agreeable to the rates of representation, which would be three parts of sixty-five of the whole debts. He thought it could not be injurious to postpone the assumption at the present day, and hoped it would not at any rate take place the present session.

Mr. MOORE. I rise to answer my colleague (Mr. Bland) He has mentioned, as one of the reasons which has determined him to vote in favor of the assumption, that the representation of Virginia in their state legislature is unequal; from which circumstance he appears to think it is not prudent to trust them with making provision for the payment of their state debts. He says the weight of property is in the eastern part of the state; the weight of legislative influence is from the western. He yesterday mentioned an instance in which the weight and influence of the western part of the state had occasioned a great deal of clamour and uneasiness. The case he mentioned, is the act passed in that state authorizing British creditors to sue for and recover the debts contracted previous to the war. Has the ground of complaint been, that the state has refused to pay a debt which was contracted by individuals? Or was it because they have complied with the treaty? If either of those are grievances, they are such as will not be redressed by this house. A compliance with the treaty was frequently recommended by Congress before the law passed; the present Congress have concurred in the measure; I believe it meets with the approbation of every member within these walls; I think it must meet with the approbation of every disinterested mind throughout the continent. Sir, I cannot consider it as a grievance. If the observation of my colleague has any weight, it goes to prove that the state cannot be safely trusted with the power of legislation in any case, and that the whole power ought to be vested in Congress.

My colleague has said, that the greater part of the certificates are in the hands of citizens in the eastern part of the State; that their militia have been oftener called into service; they have furnished provisions in a greater proportion than the western; and he is afraid that the weight and influence of the western part of the State will prevent their being equitably redeemed. Sir, I believe supplies to the army have been furnished by the western part of the state, in proportion to their property; I believe my colleague will not say that any militia in the State have more cheerfully served their country; I think they have not been wanting in patriotism, in zeal or exertions. But I will refer him to an act of the legislature of Virginia, that will show the injustice of adopting the measure in a more forcible point of view:—

The legislature of Virginia passed a law, I think, four or five years ago, laying a duty on imports to be paid in certificates. The importer had the alternative of paying one-fourth or 1-5th of the sum in specie. Every citizen in the state, I believe, considered this as the only mode by which they were ever to be paid; they never contemplated any other provision for the purposes. Under the influence of a law of the state, they have sold them to the merchants for one fifth of the nominal sum. They will be called on, by the proposition now before us, to pay the entire sum with interest: This I consider as an injustice to the citizens of every part of the state. I hope he will not be disposed to encounter those inconveniences from any ill founded apprehensions of the state legislature doing injustice.

Another reason he has displayed is, that numbers of the citizens have emigrated from Virginia to Kentucky, N. Carolina and Georgia. It would be unjust that the remaining citizens should pay the debt, so far as respect Kentucky. This reason will equally apply to Pennsylvania, North-Carolina, and other states. No more than one-third of the citizens of Kentucky are from Virginia. But, sir, it is well known that more have come into than have removed from Virginia: When the seat of government was under discussion, it was often mentioned that their members were considerably increased: I then thought my colleague concurred in the opinion and considered it as an undeniable truth. Sir, I need only refer him to the returns of the militia; to prove that the numbers have increased; and from their increase in number they will pay the debt with more ease.

Mr. Chairman, gentlemen think it improper to point out particular instances in which the operation of the proposition will be injurious; I confess I am obliged, in order to make up my mind to consider its consequences; how far states, how far individuals will be injured. Gentlemen I think it ought to be considered in a national point of view.

He has said he is not surprized that the members from the western part of the state should be opposed to the assumption of the state debts. The conclusion intended, I suppose, is, that they are influenced by the interest of the particular part of the state. Sir, if he had considered the situation of that country, he would easily have seen (especially Kentucky) that to assume the debts would be in favor of them. No part of the duties proposed by the Secretary will be paid by the citizens. They will feel no part of the burthen; but if they are not assumed, they must pay their proportion by a tax.

I suppose they mean that some great, some important national advantage is to be acquired by it; that it ought to be contemplated in this view. In my opinion no expedient will be so effectual, towards giving the government permanency as a strict adherence to justice; nothing will tend so much to secure national advantage or importance. A worthy member from South-Carolina has enumerated the services rendered by the citizens of that state; I know, sir, they have rendered important services; I know they were oppressed during the war: But they were not the only men who participated in those difficulties. The militia of North-Carolina and Virginia were also engaged. Two of the instances he mentions proves to my mind, fully the injustice of our assuming the state debts: The battle of Kings-mountain and the Cowpens.

The militia of Virginia and North-Carolina were engaged in both those. Indeed, if I am not altogether wrong informed, and I think I am not, my information is such as I can rely on, that of King's Mountain was wholly fought by the militia of Virginia and North-Carolina; at the Cowpens the same militia composed the greater part of the troops. The gentleman says they have never been paid. How were the militia of Virginia paid? Sir, I remember drawing the pay, the sum in pence per day, for some of those militia, in late paper money, when depreciated 4, 5, or 600 for one. Is it just that the militia from Virginia who have been thus paid (and I believe they have been generally paid in this manner) should now be called on to pay (those of South-Carolina who have not been paid the principal, but have received the interest) the full amount of their claims in specie? I think it would be glaringly unjust. Sir, although I have confined my observations to a comparison of those two states, I think a similar injustice will take place in some degree through all the states.

Had this assumption taken place immediately after the war, it would have been more just. I believe some of the states, by their extraordinary exertions, have incurred a debt exceeding their just proportion; but there has been as great an inequality in the exertions of states to pay those debts. Sir, I have seen a law of South-Carolina, directing the emission of two or three hundred thousand pounds in paper money, to be loaned to such of those of her citizens as would mortgage lands for the repayment of the principal, and six per cent. interest: On their having first submitted their title papers to examination, and their lands to a fair valuation, they were entitled to one third of its value in the new emitted money on mortgage. If I am not mistaken in this law, or its operation, and I think I am not, although I mention it from a very imperfect recollection, the taxes collected in that state have not been applied to the payment of the debts contracted during the war, but have been diverted into a different channel; they have been applied to the discharge of this new created debt; and in the year 1791, the state will receive into her treasury the sum loaned to her citizens, with six per cent. interest. Sir, my colleague, some time ago, moved that the certificates which were redeemed, and in the possession of the states, should be funded in the same manner as those in the possession of individuals:—this was rejected. I suppose it is not in contemplation with gentlemen to prohibit states from becoming purchasers hereafter, and funding agreeable to the proposition now before us. What will be the comparative situation of the state of South-Carolina and Virginia? The one having paid a considerable share of her debt, is to have no credit. The other having paid no part, or very little, is to be aided by the other states in making the payment, whilst she lodges in her treasury the amount of five years taxes. This has not the appearance of justice. Sir, I think the present question may be reduced to this—Shall we suspend or delay the justice due to two states, for there are only two who complain? Or shall we do an immediate act of injustice to others? Sir, gentlemen appear to be fully agreed to pay whatever balances may appear due on a final settlement of accounts. Is it not better to delay justice to some states, when they have every assurance of redress? Sir, when I consider the question in this view, I find no room for hesitating in my mind. I am clear for rejecting the proposition.

Mr. WADSWORTH. I confess, Sir, I almost begin to despair of the assumption of the State debts, and wish that I shall despair of the national government. As it is the fashion to hold up to view the interest of particular States, I shall according to custom, offer some observations respecting the State of Connecticut. At the beginning of the war we were out of debt, and our funds were in such a situation, as enabled us to advance 50,000 dollars for the exigencies of the war; the paper money received by that State, for this sum from Congress, did not net half that amount. At the close of the war, Connecticut owed nearly 4,000,000 of dollars; she has sunk about half that amount by excise and direct taxes, principally by the latter; she has no debt but what was incurred by the war, (except about 8000 dollars) and what remains to be paid was for National and State defence. To the officers and soldiers of the Continental army, she has paid and owes more than two million of dollars, a sum considerably greater than her present debt. When the Quarter Master and Commissary General owed in Connecticut 640 thousand dollars, and had neither money or credit, the State assumed that sum, which is part of the present debt; in most other States, these debts were cancelled by a final settlement of a Continental Commissioner, and are no otherways distinguished from State debts; the State of Connecticut has long since had its accounts against the union examined, by a Commissioner, who rejected every doubtful charge, and yet there remains nearly 8,000,000 of dollars ballance, after deducting every shilling the Continent had advanced the State. I consider the debt of the State of Connecticut now due, as a real Continental debt, of the most meritorious class, nor can I easily persuade myself, to provide funds for the other Continental debts, and leave the citizens of Connecticut to groan under a direct tax (their only resource) to pay a debt which they do not owe, but as sureties for the Continent; we have been sometimes told, when the interest of a particular State was in question, that if we did not comply with her wishes, she would throw herself into the arms of some foreign power, I will not say this of Connecticut, there is no power but the United States with whom we wish for connection; no foreign power is our neighbor; we are firmly attached to the union, but a direct heavy tax for the debts of the union, will be felt as unjust and oppressive, and may rouse the hardy spirits of the Northern and Eastern freemen to a conduct incompatible with the peace, safety and happiness of the general government.

An argument has been drawn against the assumption from petitions on your table (Mr. Chairman); the petition of the Tobaccoists has been mentioned in particular: if we are to admit petitions as arguments against a measure, we may as well give up all idea of laying any tax whatever; for I believe it will be granted that no tax can be proposed, which may not be petitioned against.

I beg leave to remind gentlemen, of a petition presented the last session from a body of men, who, considered in relation to the community at large, are of ten times the consequence that the small body of Tobaccoists are however respectable in themselves. I refer to the petition from the Distillers and Importers of molasses, their petition was not noticed; the tax was laid, and is now collected, the petitioners see their error and are satisfied.

The duty on Salt has been mentioned, the duty laid last session, was objected to, but Salt was never so low in price, and if the proposed duty is laid, it will then be cheaper than it has been on an average, for seven years past, to my knowledge. Gentlemen have contended that the measure is so important, that its adoption

ought to be by the voice of a large majority, a bare majority will not satisfy our constituents; however desirable this may be, public bodies are often most divided upon the most interesting subjects, and if this idea is to prevail, there is an end of the great principle of a republican government, that the majority is to govern. On this principle, if a majority should decide against the assumption, I should think it my duty patiently to submit to the determination. We hear much upon the subject of general duties, that they fall heaviest upon the Southern States; they are not manufacturers, and a great consumption of luxuries takes place among the people in those states. Mr. Wadsworth asserted that the consumption of luxuries is much greater in the Eastern and Northern states; and stated a variety of particulars to prove the assertion; he appealed to the Southern gentlemen, who had travelled into the middle and Northern states for his truth.

The report of the Secretary of the Treasury has been faulted on account of its calculations; and the article respecting the Post Office has been mentioned—Mr. Wadsworth read that part of the report, and observed—Here we have the opinion of the Post-Master, and not a calculation of the Secretary. If there is an error it is only in opinion—and the Secretary is not accountable for it.—The opinion however appears to me to over rate the proceeds of the department upon the present plan—I do not however conceive that the estimate over rates what may be derived from this source—seven eights of what may be produced from the Post-Office is lost by letters being sent by private conveyance and under franks—under proper regulations I have no doubt but a larger sum than that mentioned by the Post-Master-General may be realized.—Mr. Wadsworth concluded by saying that in every view of the subject the justice and policy of the measure, in making a continental provision for these debts is so apparent that he could not but hope the affirmative of the question would be adopted.

WEDNESDAY, MAY 5.

The house receded from their amendments to the bill for the government South of the Ohio, which had been disagreed to by the Senate—they also agreed to the amendments proposed by the Senate to the bill for the mitigation or remission of forfeitures and penalties accruing in certain cases under the revenue laws.

A message was received from the Senate informing the house that they have passed a bill prescribing the mode of authenticating the acts, records and proceedings of the several States.

The committee appointed for that purpose, reported a bill for the collection of the additional duties on Wine, Rum, &c. as proposed by the late resolutions of the house. The said bill was read a first time and laid on the table.

The bill from the Senate, for extending the judiciary laws of the United States to the State of North Carolina, was read a second time.

The house resolved itself into a committee and made further progress in the bill for adjusting and settling the claims of the Baron Steuben.

On motion of Mr. Smith (S. C.) The Secretary of the Treasury was directed to report the amount of tonnage duty collected in each of the States between the first day of September and the first day of January last; distinguishing the foreign from the domestic tonnage.

THURSDAY, MAY 6.

A very long memorial of Nathaniel Twining was read—praying further compensation for the transportation of the mail in 1787.

Mr. Stone of the committee appointed for the purpose, reported a bill for funding the public debt of the United States—which bill was read a first and second time, and made the order of the day on Wednesday next.—100 copies were ordered to be printed.

In committee of the whole on the bill for adjusting and satisfying the claims of William Frederick de Steuben.

The clause which proposes an annuity of 2706 dollars during life was further discussed—sundry amendments were proposed to the bill—some of which were withdrawn, and others negatived, it was at length agreed to in Committee without alteration. This bill was opposed in its progress by Mr. Williamson, Mr. Bloodworth, Mr. Steele, Mr. White, Mr. Boudinot, Mr. Seney, Mr. Sinickson and Mr. Stone—and supported by Mr. Smith [S. C.] Mr. Lawrence, Mr. Vining, Mr. Huntington, Mr. Wadsworth, and Mr. Clymer.

Adjourned.

FRIDAY, MAY 7.

In Committee of the whole on the bill for adapting the Judiciary laws of the United States, to the State of North-Carolina, some amendments were agreed to, and several clauses added to the bill; the Committee then rose and reported the same; the House acceded to these amendments.

Mr. Bland after stating to the House, that in consequence of obtaining (as is supposed) a surreptitious copy from a public office, of the names of officers and soldiers in the Virginia and North-Carolina lines, of the late army, to whom arrears of pay were ordered to be made by a law passed the last session of Congress, some persons had fraudulently procured assignments of pay, for a consideration much below their value. He therefore moved a resolution to prevent the frauds' taking place; in the following words viz. Resolved, that the Secretary at war, be, and he is hereby directed to cause accurate lists to be forthwith published in the News Papers of the States of Virginia and North Carolina, of all the officers and soldiers, who are intitled to receive certain arrears of pay, due to the lines of the army of the said States, for which money was granted and appropriated by Congress, at their last session; and that the payment be made to the said officers and soldiers, or where dead, to their legal representatives, under the same regulations as have been adopted for the payment of Invalid pensioners, in pursuance of an Act passed at the last ses-