

Besides one State will tax another. The consumers will go to the most convenient market. So that the attempt to make each State pay its own debt will be defeated, and the payments will fall as unequally as if the assumption should take place and the accounts not be settled. New-Hampshire, Connecticut, Jersey and North-Carolina would pay almost wholly into the treasuries of the neighbor States. The non-importing States will be obliged also to impose direct taxes to pay their creditors, so that their citizens will be doubly taxed. If State excises then yield so little and are so unequal, where are the mysterious, State resources, which are inaccessible to Congress? If they are not of an incommunicable nature, we can judge better by hearing the subjects of taxation named. It ought to appear that such excise, and that Congress could not draw them forth.

If you reject excises, you cannot have an adequate revenue, and if the States have also excises, the revenue will be impoverished and hazarded. For if an article can pay both duties there is a loss to get but one, it might as well be collected throughout the United States, as in one State, and if it cannot pay both, one or both treasuries will suffer for the loss. Besides you incur a double expense of collection.

What revenues are left you if the excise is rejected? With such a slender sum you cannot offer new terms. The modification of the entire debt as first proposed makes a saving in the capital of almost thirteen millions. The debt to be assumed is about twenty-four. The interest on the difference, or on the real increase of debt by assuming is less than 500,000 dollars yearly.

We depend upon two principles for the security of the revenues. One is that the trading people will not be disposed to offend, and the other is that all others will be inclined to watch and expose them if they should. Never was so popular a revenue system. But the violence to the just demands of the creditors, depriving them of the money they have been used to receive, and creating in the States an interest to have your collection fail, in order to made the State funds effectual, will produce a most disastrous change. It is setting men's interests as well as opinions against you. Nor will the landed interest have a different sentiment—For they will be murmuring under the load of direct taxes, and the more the State revenues can be improved by lessening the national, the less they will have to bear.

What reason is there, then, for asserting that more money can be obtained and more easily, by several systems than by one? This bold assertion which the sense of America would refuse, if its experience had not done it already, is not true of impossibility. I have endeavored to expose its fallacy with regard to State excises—They produce much evil and little money. Direct taxes, insufficient as they are, can be imposed by Congress to any amount, which ought to be required as well as by the States, and I do not know that they would be more obnoxious. It is true just complaint is made of their unequal operation, and I trust that Congress will not be under the necessity to call for them. What advantages for taxation do the States possess over Congress? We ought not to admit that any such exist till the reasons and facts are made known to us—which has not yet been done.

Without adequate funds, the States cannot propose to their creditors a modification of the debt. By the constitution, they are restrained from passing laws to impair contracts. The burden will rest upon the States if not assumed, at six per cent. for without funds the creditors will not consent to take less; if assumed, upon Congress at four; is this the more easy way of paying part of 80 millions? It makes a difference of several millions against the public.

If we commit an error by not assuming, it will be an expensive one. Have we funds so abundant and safe, that we may divide and mangle with impunity? But we are told that probably there will be an assumption at the next session, and that it is improper to pass a decision at the present, especially as immediate provision is not to be made, and as delay will reconcile men's minds to the measure. This is plausible, but at least it is yielding the great point as to the principle. If the business should be referred to the next session, with intent then to assume, the States will not impose taxes and frame funding systems for half a year. In the mean time, this State of their paper will make it the subject of the most pernicious speculation. It will be engrossed for a trifle by foreigners, and at the same time aggravate the scarcity of money by employing what there is, in purchases. In this State of suspense and loss will the public mind become tranquil? Will it unite the two sorts of creditors? But tho' you delay the interest on the State debts to 1792, you pass the revenue laws as soon as possible. By delay you will lose the revenue which may accumulate prior to that time—Suppose a million and an half obtained before the payment of interest shall begin, that sum will secure the interest against any probable deficiency of the duties for two or three years. Will not the public, will not the creditors of every description, derive advantage from an immediate assumption and establishment of duties, and from the proposed delay of paying interest?

It is an unusual thing for a gentleman in a public assembly to assert, that four fifths of the people are of his way of thinking. This however, has been done. It is not strange for persons to mistake their own opinion for that of the public. These fond prepossessions may be received instead of evidence; but they cannot weigh much against evidence. My information may have been less diligently sought, and less carefully examined than that gentleman's; but I have compared it with what has been gathered by my friends, and I declare that I believe four fifths of the wise and worthy men, in a very wide extent of country, look with strong disapprobation upon the injustice, and with anxious terror upon the impolicy of rejecting the State debts.

Little notice has been taken of an argument for the assumption, which, if just, is entitled to a great deal; I mean that which has been urged to show that it will strengthen the government. The answer given is, that, instead of pecuniary influence, new powers are wanting to the constitution. This is not denying the argument, but asserting a proposition, which, if false, is to be disregarded, and if true, is not inconsistent with the point in question. So far from denying, it seems to admit the utility of the assumption, and asserts the utility of some other thing. Which other thing he has not explained, and if he had, it is probably unattainable, nor will its attainment, be it what it may, be prevented by the assumption.—But before we ask for new powers on paper, let us exercise those which are actually vested in Congress. What will new powers avail us, if we suffer the constitution to become a dead letter? What has dropped from the gentleman in regard to this point, amounts to an important concession. Little topics of objection sink to nothing, when it is allowed that the assumption will strengthen the government. Is the principle of union too strong? Do not all good men desire to make it perfect? What nation has more to hope from union, or to fear from disunion? Shall we make the union less strong than the people have intended to make it, by adopting the constitution? And do not all agree, that the assumption is not a neutral measure? If its adoption will give strength to the union, its rejection will have the contrary effect.

I have thought of this government with the fondest enthusiasm. I have considered it as tending to mend the condition of mankind, and to perpetuate the blessings of liberty.—At this late period of the debate, it is hardly possible for gentlemen to exercise impartiality. It will be an act of virtue, of magnanimous self command to do more—to place themselves for a moment in the situation of the advocates of the assumption, and to see with their eyes. They love their country, and mean to serve it; and I am sure they would shrink from the spectre of its misery which haunts us; they would not consent to undo the constitution in practice, to realize the evils which were only apprehended under the confederation, and which were prevented by the total want of power in Congress. With this principle, however, it will be found that power enough is given to create division, and to make it fatal: It will beggar the government, and bind it in chains.

A MESSAGE was received from the President of the United States, with the copy of an Act of the Legislature of the State of Rhode-Island, for ratifying certain articles of amendment to the Constitution of the United States.

Mr. Williamson presented a Memorial from Dr. Thomas Rufston, in behalf of the directors of a Cotton Manufactory in the State of Pennsylvania.

In Committee of the whole on the bill concerning the trade and navigation of the United States.

Mr. Madison entered into a discussion of the principles on which the trade and navigation of the United States ought to be regulated—the idea of discrimination in respect to foreigners, as proposed in the bill originally, having been disagreed to, however just and reasonable he thought that distinction to be, he said, as there appeared to be a majority against it, he should wave any further arguments on the subject, and would suggest the principle of reciprocity as an idea which would meet the general approbation of the Committee. He adduced several particulars to show that this reciprocity does not exist in our trade and intercourse with Great Britain; while our shipping is excluded from many of her ports, and admitted into others under such restrictions as are nearly tantamount to a prohibition—their shipping is freely admitted into all the ports, harbors and bays of the United States.

He then read two propositions in the following words, which he proposed should be added as clauses to the bill, viz.—

And be it further enacted, That in all cases where vessels belonging to the citizens of the United States may be prohibited from bringing any articles from any foreign port or place, by laws or regulations of the sovereign thereof, into any port or place within the United States, the vessels belonging wholly or in part to the subjects of such sovereign, shall after the day of _____ during the continuance of such prohibition, be prohibited from bringing like articles into the United States, on pain of being seized and forfeited to their use. And the masters or owners of all foreign vessels clearing from any port of the United States, with any articles of the growth, produce or manufacture thereof, shall give bond with sufficient security, that no part of the said articles shall be delivered at any port or place to which vessels belonging to citizens of the United States may not be permitted to transport like articles from the United States.

And be it further enacted, That in all cases where vessels belonging to citizens of the United States, may be prohibited by the laws or regulations of that foreign country, from carrying thereto articles not the growth, produce or manufacture of the United States, the vessels belonging wholly or in part to the subjects, citizens or inhabitants of such country, shall, after the day of _____ and during the continuance of such prohibition, be prohibited in like manner from bringing any articles not the growth, produce or manufacture of such country, into the United States, on pain of being seized and forfeited to their use.

These propositions being considered as very interesting and important in their consequences, it was moved that the committee should rise, that the members might take time to consider them.

The motion for the committee's rising was opposed.

Mr. Wadsworth asked what reason could be assigned for the committee's rising?—for his part he was ready to meet the propositions—he believed he should vote for them—He considered them as calculated to try the strength of the committee—it is coming to the point—it is proposing a very bold measure indeed; but if it is thought we can stand the shock, I should have no objection to try it. I hope the committee will proceed to discuss the propositions.

Mr. Vining observed that he had no objection to taking up the subject—but as gentlemen appear desirous of taking time to consider the propositions he was in favor of the committee's rising—With respect to the "boldness" of the measure, he was at a loss to find the propriety of the epithet—for his part, he considered it as a measure of firmness—and as such highly becoming the national legislature of this country to adopt.

Mr. Sherman observed, that he saw nothing that favor'd of boldness in the propositions—they appeared him to be natural, and nothing more than a proper assertion of the equal rights of this country.—It is merely meeting with counter regulations, the regulations of other countries, that are hostile to our interests—this we have a right undoubtedly to do. I hope the committee will not rise, but discuss the subject, that the merits of the propositions may be fully known.

Mr. Goodhue spoke generally in favor of the propositions, and against the committee's rising.

Mr. Jackson was in favor of the committee's rising—the propositions he considered as very extraordinary indeed—and if they should be adopted, they will annihilate, in a great measure, the

trade of Georgia, to the West-Indies, and he believed of North Carolina too, notwithstanding what the gentleman from that State has said in the course of debate on this subject.—He thought it extraordinary that the gentleman from Virginia should come forward with one exceptionable proposition after another—the gentleman having lost one favorite proposition, so tenacious is he of his object, that he now brings forward another, in my opinion, said he, full as exceptionable.

The question being taken was carried in the affirmative—the committee rose, and reported the propositions, which are to be taken into consideration to-morrow.

The house then went into committee on the WAYS and MEANS for paying the interest on the public debt. Some time was spent in the consideration of the plan reported by Mr. Fitzsimons, but the committee did not come to any decision.

Adjournd.
THURSDAY, JULY 1.

The petition of John Fitch, of Philadelphia, relative to steam as applied to the purposes of navigation, was read.

Mr. Boudinot of the committee appointed for that purpose reported a bill to provide for the national defence.

The bill further to provide for the payment of the invalid pensioners of the U. S. was read the third time and passed.

A message was received from the President of the United States, informing that he had given his assent to three acts, which originated in the House: An Act providing the means of intercourse between the United States and foreign nations: An Act, for the relief of Nathaniel Twining, and an Act to satisfy the claims of John McCord against the United States.

A message from the Senate informed the House that they had passed the bill extending the enumeration law to the State of Rhode-Island.

The report of the committee on the memorial of Thomas Barclay was read—the substance of which is, that the sum of 33333 dollars be allowed the Memorialist in full for his services during the time he was employed by the United States, exclusive of necessary expenses. A motion for re-committing the report occasioned some debate, but was carried in the affirmative.

In committee of the whole on the WAYS and MEANS to discharge the interest of the debt of the United States, the resolutions of the select committee were agreed to—these are, 1st. to encrease the Impost one third—and the duties on the following enumerated articles to the sum annexed to each—

Distilled Spirits	15.	} Cents pr.
Madeira Wine	32.	
Other Wines	183.	} gallon.
Molasses	36.	
Bohea Tea	10.	Cents pr. lb.
Souchong and other black Teas,	18.	1-6.
Hyson	32.	
Other Green Teas	203.	
Coffee	4.	
Brown Sugar	12.	
Loaf ditto	5.	
All other do.	23.	
Pepper	7.	4-100.
Pimento	41.	
Nutmegs	65.	
Mace	25.	
Cinnamon	20.	
Cloves	121.	
Cassia	10	

2. Resolved, That after the _____ day of _____ the discount of ten per cent. of the duties on goods, wares and merchandize, imported in ships or vessels, the property of a citizen or citizens of the United States, be discontinued, and that an addition of ten per cent. be made to the duties on goods, wares, or merchandize, imported in any other ship or vessel.

Ordered, That these Resolutions lie on the table till to-morrow.

Adjournd.
FRIDAY, JULY 2.

The report of the committee of the whole house on the ways and means to discharge the interest on the debt of the United States was taken up, and agreed to without amendment.

Mr. Stone moved to insert the article salt at an additional duty of 2 cents per bushel—this occasioned a lengthy debate; the motion was negatived.

A committee consisting of Mr. Fitzsimons, Mr. Sherman and Mr. Tucker, was appointed to bring in a bill agreeable to the report.

A message was received from the Senate, with a bill, determining the temporary and permanent residence of Congress—the substance of which is, that the temporary residence shall be at Philadelphia from the commencement of the next session in December, till the year 1800; and from that period, the permanent residence to be on the Potowmac. This bill was read the first and second time—ordered to be printed, and referred to the committee of the whole house on Tuesday next.

The report of the Committee on the Fees, &c. to the Consuls of the United States, was taken into consideration. The first clause of the report authorized Consuls and Vice Consuls to receive fees similar to those established by law in the places for which they are appointed; and where no such fees are established, they were to be allowed _____ dollars on the entry and clearance of every American vessel of 100 tons and under—and _____ dollars on every such vessel of 100 tons and upwards. This clause, on motion of Mr. Fitzsimons was struck out. The other parts of the report, which allows them to receive _____ dollars for copies of certificates and other documents, also to own American vessels, &c. were agreed to. It was then voted that the bill be re-committed—and the Committee instructed to consider and report what further provision should be made for Consuls and Vice-Consuls.

Mr. Benson had leave of absence for a fortnight.

Adjournd till Monday 10 o'Clock.