



CONGRESS. HOUSE OF REPRESENTATIVES. FRIDAY, July 23.

Debate on the amendment of the Senate to the Funding Bill, to assume a part of the State Debts.

MR. Smith (S. C.) after some introductory observations, said, that two points were generally conceded; namely that the debts, which, for distinction sake, were called State debts, had been incurred for the common welfare and general defence, and that those debts ought to be paid: The question was by whom? Whether by the several States or by the Union?

There was one principle, he said, which should be attended to in the discussion of this great question: that was, that the citizens of one State ought not to pay a greater price for independence than those of another, but that a citizen of New-Hampshire, in proportion to his means, should contribute as much towards the expenses of the war as a citizen of Georgia.

Premising this principle as one which could not be shaken, it might serve as a standard by which the arguments on both sides ought to be tried. Should the States be left to pay their respective debts, it was evident that the citizens of those States which suffered most from the incursions and depredations of the enemy would pay a higher price for their liberties than the citizens of other States, because the debt would be larger, and the means of payment smaller. The burden would be therefore unequal, and every refusal to equalize it would be unjust. Whether the citizens of those States were viewed in the light of creditors of the public or not, the inequality would be apparent. If creditors, they would have a less chance of being paid than creditors of other States: the individual in South-Carolina who spent his blood, furnished supplies or lent his money to carry on the war, would probably receive compensation at the rate of a shilling in the pound, while the individual in Maryland, with similar claims, would receive his compensation at the rate of five shillings in the pound; and while the citizen who had casually received a continental instead of a State certificate, would be settled with at the rate of twenty shillings in the pound.

If the citizens of the suffering States were viewed not as creditors, but as individuals liable to such taxation as would be necessary to do justice to the creditor, the inequality was no less obvious. In one part of the union the people would be crushed with grievous taxes, in another the taxes would be trifling; the inequality indeed would exist in a compound ratio; for, in proportion to the amount of taxes necessary for the payment of its debt, would be the inability of the suffering State to pay them; inasmuch as a large debt would be an evidence of great exertions, and consequently of great distress; it would therefore follow, that in one State, either the creditor would lose his debt, or the citizens groan under an enormous burden, while in another State the creditor would have his debt well funded, and the citizens smile under an easy system of taxation.

Under the old confederation, this inequality, although incompatible with the true principles of the social compact, was, however tolerable, because each State retained all its resources; and because there was no other constitutional mode of equalizing the burden among the States than by a settlement of accounts. Under the present form of government it will be intolerable; because the impost, which to the States most in debt was the most valuable source of revenue, is relinquished to the union; and because Congress have it in their power, by the Assumption, to do away all disproportion. This measure will therefore stand the test of the principle above premised; for the creditors of all the States will be placed precisely on the same footing, and the citizens of all the States will be equally taxed.

An objection, however, is much depended on, derived from a supposed inequality, which will occur in the event of an Assumption: some States, it is said, have, since the peace, discharged a part of their debts by considerable exertions, and it is not just that their citizens should now contribute to the discharge of the debts of other States which have been remiss.

In order to give weight to this objection, great merit has been assumed by the former, and much censure inflicted on the latter, who have been exultingly asked, why they had not made similar efforts. Such a question, Mr. Smith said, he was inclined to compare to the conduct of a man in the vigor of health, and who had never seen the face of a Doctor, asking a sick friend, still languid under the depression of a severe illness, why he did not eat heartily and take exercise as he did?

Each State, he presumed, undertook at the close of the war, such methods of extricating herself from her embarrassments as were within the compass of her abilities. He did not ascribe the payments some States had made to a greater degree of virtue in them than in others; nor could he suppose that the gentlemen who made this observation, seriously thought that an individual was more meritorious because he was a citizen of one State, than if he had been a citizen of another: or that an ideal boundary line of a State could operate so wonderfully on the human mind as to render the citizen on this side active in the performance of his political duties, and the citizen on the other side inactive? That being on the north side of the Potomac or the Savannah, an individual would have more or less inclination to contribute his exertions for the public good, than if he were on the south side? Unless they insisted on these points, how could they account for these inequalities of which they complained; to what causes could they attribute the large debts of some States, and the smaller debts of others. The exertions of some members of the Union since the peace, to disincumber themselves of their burdens, and the supineness of others? Could they be traced to any other cause, than a greater degree of suffering during the war, on the one part, and a greater abundance of resources since the peace on the other. Those States, which during the war were most invaded by the enemy, were at the peace most exhausted; and it was unreasonable to demand great exertions from them. In proportion to their struggles and efforts was their debt increased: In the same proportion was their strength exhausted, and their resources drained—while other States, more fortunate, (and he envied them not their good fortune) contracted less debt during the war, and were fully competent to the discharge of that small debt at the peace.

He wished all these circumstances of comparative merit had been kept out of view, and that the question had been considered on its proper grounds of justice and policy; but as they had been contemplated by some members as necessary materials in the investigation, without which a proper estimate of the true merits of the question could not be formed, he considered it a duty he owed to the State he represented, to take some notice of the arguments which had been urged on that head.

Two points had been dwelt on—The large debts of some States, and the feeble exertions they had made to discharge them. He was happy he had it in his power to clear up in a few moments, the doubts of every candid mind on both those points, as they related to South-Carolina. With respect to the first, the size of her debt might be accounted for, from the following circumstances:—that she paid, first, equipped and clothed the whole Continental line of South-Carolina from its first raising to the 1st January 1782, a period of seven years; that the defence of the

whole Southern trade fell chiefly on South-Carolina, as well as the protection of a considerable extent of sea coast, which cost an immense sum for vessels of war, galleys, &c.—While Georgia and Virginia had their galleys on continental establishment, South-Carolina had to pay her own—that Charleston was three several times attacked by the British forces, in 1776, 1779 and 1780, which induced an enormous expence for fortifications; sinking vessels to obstruct their passage up the rivers; arming and calling forth the militia; purchasing horses, naval military stores; that at the time the British arms attacked the State on the sea coast, the savages and Tories attacked it in the West—that in addition to all this, the State had assumed out of the hands of its citizens charges against the United States, liquidated by their Commissioners amounting to more than two millions of dollars—that while the citizens of some States received hard money, the citizens of South-Carolina were compelled to receive certificates for the supplies which were furnished to the Southern army; and that the State had moreover been at a vast expence in raising and equipping some regiments of horse, under the sanction of General Greene.—These were some of the causes of the large debt that State had long groaned under. He then adverted to the steps she had taken since the peace to discharge it. Much could not be expected from people distressed as her citizens were; many of whom owed considerable private debts to British merchants at the breaking out of the war, and had been bereft of almost the whole of the property with which those debts were to be discharged. A State, which for the space of six or seven years had been constantly struggling with the enemy; which had lost its crops for several successive years; whose towns had been burnt; all the furniture of its citizens destroyed; deprived of upwards of 30,000 negroes; nearly one half of its labourers; the property of the citizens torn from them by British plunderers, or by American impressments; multitudes of their citizens killed; in so much that in the district of Ninety-Six alone, there were 1400 widows at the close of the war—could not be censured with any propriety for having made slender exertions to discharge her debts. In 1784, she attempted a funding system, and had kept down the interest ever since, which alone, considering her situation, was a considerable exertion, as the annual interest amounted to upwards of 300,000 dollars: She had also sunk upwards of a million and a half of the principal, and would have done more had the crops been favorable; but from 1783 to 1787, in consequence of the depopulation of labourers, the bad state of the fields, and a succession of bad seasons the planters had annually made scarce half a crop. He did not mention these circumstances to make a parade of them, but for the purpose of removing impressions unfavorable to the citizens of that country which seemed to exist in the minds of some of the members.

TO BE CONTINUED.

FROM THE NEW-YORK DAILY GAZETTE.

SONG.

Sung in the St. Andrew's Society, on Thursday evening last, when Col. ALEXANDER M'GILLIVRAY was present.

TUNE—Nottingham Ale.

AMONG polish'd nations for centuries past, The Hero, the Saint, have by custom assign'd A day to their honor, which ever shall last While gratitude softens the hearts of mankind.

For this cause to-day, The Cross we display, To honor St. Andrew, the great and the good; Who, despising the shame, Laid to glory the claim, And seal'd, like a martyr, the truth with his blood.

Perhaps his last moments, those moments of pain, Might be sweet'ned with prospects of what would ensue: When one of his children should make the way plain, And people Elysium with converts from you.

When Ohio's fair plains Should enlarge the domains Of the Prince, and the Lover and Giver of Peace; And a Son of his own Have the merit, alone, Of making all Indian hostilities cease.

The time is at hand, nay, already appears, When the Empire of Reason shall govern the world, And Error, tho' sanction'd by thousands of years, With contempt, as it ought, from our bosoms be hurl'd.

With a great and just view This Truth we'll pursue, That feature or colour no difference can be, In the eye of that Mind Which call'd forth Mankind, To make them one family, happy and free.

What a wide scene of rapture my eye now beholds, When I turn to the West the enkindling view, Their frank (tawney children my bosom unfolds, And clasps them with ardor, as brothers, like you.

Perhaps, ere I die, My children or I, With safety and comfort may traverse this land And bless this fair day, When St. Andrew's sway, Impell'd their Leader to give me his hand.*

May plentiful seasons, a sun ever mild, A spirit of kindness and friendship sincere, Transform to an Eden your deserts so wild, And sympathy only occasion a tear.

When your's gone far away, Oh! remember the day, When here joy and harmony mingled their pow'rs, To keep up the fame Of St. Andrew's name, And embellish'd his shrine with a chaplet of flowers.

* Here the Chief and the Poet shook hands with great cordiality, and the members present participated heartily in the exchange of friendly sentiments.

This day published, And to be sold by THOMAS ALLEN, Queen-Street, corner of Fly-Market, A COLLECTION OF ESSAYS AND FUGITIVE WRITINGS, On various subjects. By NOAH WEBSTER, Junr.

The Mail Diligence, FOR PHILADELPHIA, LEAVES the Ferry-Stairs, at New-York, Ten minutes after Eight o'clock every morning except Sunday. Stage Office, City Tavern, Broad-Way, New-York June 5, 1790. James F. Sebor, and Co. Have removed from No. 59, to No. 187, Water-Street, near the Fly-Market, WHERE they negotiate all kinds of PUBLICK SECURITIES—BILLS OF EXCHANGE, &c. as usual. New-York, April 8, 1790.

MASSACHUSETTS STATE LOTTERY.

THE Managers of the STATE LOTTERY, present the Public with the First Class of the Massachusetts Semi-annual State Lottery, which will commence drawing in the Representatives' Chamber, in Boston, on the Seventeenth of March next, or sooner, if the Tickets shall be disposed of.

SCHEME.

NOT TWO BLANKS TO A PRIZE.

25,000 Tickets, at Five Dollars each, are 125,000 Dollars, to be paid in the following Prizes, subject to a deduction of twelve and an half per cent, for the use of the Commonwealth.

Table with 4 columns: Prizes, Dollars, Prizes, Dollars. It lists various prize amounts from 10000 down to 8, and the number of prizes for each amount.

8388 Prizes. 16612 Blanks. TICKETS may be had of the several Managers, who will pay the Prizes on demand—of the TREASURER of the Commonwealth—of JAMES WHITE, at his Book-Store, Franklin's-Head, Court-Street, and at other places as usual. BENJAMIN AUSTIN, junr. } DAVID COBB, } SAMUEL COOPER, } GEORGE R. MINOT, } JOHN KNEELAND, } Managers.

Boston, July 28, 1790.

TREASURY DEPARTMENT.

NOTICE is hereby given, that Proposals will be received at the office of the Secretary of the Treasury, to the first day of October next inclusive, for the supply of all rations, which may be required for the use of the United States, from the first day of January to the thirty first day of December 1791, both days inclusive, at the places, and within the districts herein after mentioned, viz.

- At any place or places, betwixt Yorktown in the state of Pennsylvania, and Fort Pitt and at Fort Pitt. At any place or places, betwixt Fort Pitt and Fort McIntosh, on the River Ohio, and at Fort McIntosh. At any place or places, betwixt Fort McIntosh and the mouth of the River Muskingum, and at the mouth of the River Muskingum. At any place or places, betwixt the mouth of the River Muskingum, and up the said River to the Tuscarawas, and at the Tuscarawas, and thence over to the Cayoga River, and down the said River to its mouth. At any place or places, betwixt the mouth of the river Muskingum, and the mouth of the Scioto River, and at the mouth of the said River Scioto. At any place or places, betwixt the mouth of Scioto River, and the mouth of the great Miami at the mouth of the great Miami, and from thence to the Rapids, on the Falls of the Ohio, and at the said Rapids. At any place or places, betwixt the mouth of the great Miami, up the said Miami, to and at Piquetown, and thence over to the Miami Village, on the river of the same name which empties into Lake Erie. At any place or places from the rapids of the Ohio, to the mouth of the Wabash, thence up the said Wabash to Post St. Vincennes, at Post St. Vincennes, and thence up the said river Wabash, to the Miami Village, before described. At any place or places, from the mouth of the Wabash river to the mouth of the river Ohio. At any place or places, on the east side of the river Mississippi, from the mouth of the Ohio river, to the mouth of the Illinois river. At any place or places, from the mouth of the Miami river to the Miami Village. At any place or places, from the Miami Village to Sandusky, and at Sandusky, and from Sandusky to the mouth of Cayoga river. At any place or places, betwixt Fort Pitt and Venango, and at Venango. At any place or places, betwixt Venango and Le Beuf, and at Le Beuf betwixt Le Beuf and Presq' Isle, at Presq' Isle, and betwixt Presq' Isle and the mouth of Cayoga river. At the mouth of Cayoga river, and at any place or places, on the road from Fort Pitt, to the mouth of Cayoga river, by the way of Big Beaver creek. At any place or places, on the east side of the Mississippi, between the mouth of the Ohio and the river Margot inclusively. At any place or places, from the said river Margot, to the river Yazou inclusively. At any place or places from the mouth of the river Tennessee, to Occhlat-po or Bear creek, on the said river inclusively. Should any rations be required at any places, or within other districts not specified in these proposals, the price of the same to be hereafter agreed on, betwixt the public and the contractor. The rations to be supplied are to consist of the following articles, viz. One pound of bread or flour, One pound of beef, or 2/3 of a pound of pork, Half a jill of rum, brandy or whiskey, One quart of salt, Two quarts of vinegar, Two pounds of soap, One pound of Candles, per 100 rations.

The proposals must specify the lowest price per ration. No credit is required. ALEXANDER HAMILTON, Secretary of the Treasury.

By Order of the Honorable Richard Morris, Esq. Chief Justice of the State of New-York.

NOTICE is hereby given to Lewis M'Donald, of Connecticut an absent debtor, that upon application and due proof made to the said chief justice by a creditor of the said Lewis M'Donald pursuant to an act of the Legislature of the said State, entitled "An act for relief against absconding and absent debtors," passed the 4th April, 1786; he, the said chief justice, has directed all the said Lewis M'Donalds estate, within this State, to be seized, and that unless he shall discharge his debts within twelve months after the publication of this notice, the same will be sold for the payment of his creditors. Dated the 3d May, 1790. New-York, May 7, 1790.

CONTINENTAL AND STATE SECURITIES, BOUGHT AND SOLD, AT NO. 196. WATER-STREET. A generous price will be given for Military Rights of Land and Jersey Paper Money. A large impression of this paper having been struck off from the commencement of the second of April 14.—Those who incline to become subscribers from that period, may be furnished with the number complete.