

lished throughout all our dominions: and we do declare to all our loving subjects our will and pleasure, that the said treaty of peace and friendship be observed inviolably, as well by sea as land, and in all places whatsoever; strictly charging and commanding all our loving subjects to take notice hereof, and conform themselves thereto accordingly.

Given at our court at St. James's, the twenty-sixth day of September, one thousand seven hundred and eighty-three, in the twenty-third year of our said King.

God save the King.

ANNAPOLIS, December 4.

Last night his Excellency the president of Congress arrived in this city.

GARRISON ORDERS.

W.A. Point, November 16, 1783.

THE definitive treaty being concluded, and the city of New-York to be evacuated on the 21st instant, his excellency the commander in chief proposes to celebrate the peace at that place, on Monday the first day of December next, by a display of the fireworks and illumination which were intended to be exhibited at this post, or such of them as have not been injured by time, and can be removed.

JNO. DOUGHTY, Fort Major.

TO THE CITIZENS OF MARYLAND.

THERE are some leading politicians, who have decided most pointedly in favour of a new paper emission, and strenuously assert, that if we will make one more trial, it cannot fail of success. It is my intention to examine the arguments used in support of the measure, and in so doing I shall lay down certain principles, which I should have taken at this time of day to be incontrovertible, and which I conceived a little observation must have suggested to every reasonable man; but these the gentlemen either know little about, or suffer them to have no weight in determining a question so very interesting to the public.

That the community deeply feels the want of a circulating medium; that creditors cannot collect debts; that merchants cannot procure money to carry on their business; that the people have not wherewithal to pay the tax; and that a thorough conviction of the necessity of removing these evils, will engage every man in support of a paper emission; is the first though not the most persuasive argument. The scarcity of money I readily admit; whether it is a real or artificial scarcity is little to the purpose; but that the sense of a general evil will engage each individual to act different from what interest shall dictate, I strenuously deny.

The main support of paper money is opinion; which indeed is the grand foundation of all power in government. It is unnecessary to recite those ill-judged acts of the legislature, which have destroyed all confidence between individuals, and that faith which men are naturally disposed to place in a government, constituted by themselves; but it may not be improper to explain what is meant by opinion, when applied to paper money—it is a firm belief, that paper is equal to, and will answer all the purposes of, specie. If that opinion exists, the plan is smooth and easy; that it does not exist at present, and that there should be a certainty of its establishment, before we venture on an expedient which has been so often before productive of ruinous consequences, I think no disinterested man will deny.

If we reason from the success of paper money under the old government, and thence form conclusions in favour of the plan, a much juster inference might be drawn from the prejudices occasioned by the ill fate of the various recent emissions. But, say the advocates for the measure, How can you reason from the prejudices of the people, when almost all orders of men, even the merchants of Baltimore, are clamorous for an emission? With me, this consideration has not the least weight to demonstrate the existence of opinion. I can account for the wishes of these men. A dishonest debtor may entertain the fond hopes of another tender law, or another association. An honest man may suppose, that by introducing an abundance of money, he will be enabled with more ease to discharge his debt. Interest may be so strong a bias on the most upright man, as to make him willing to try all experiments. The people find themselves uneasy from the weight of taxes, and would undoubtedly be extremely well pleased to be furnished with the means of paying, with as much ease, as when red money, which they procured at the rate of two for one, was taken at par. As for the merchants, who have experienced the gains arising from the fluctuation of paper to be the most profitable part of their business; as for those who would be willing to give thirty, forty, or fifty per cent. for the use of money for one year, I am not surprised if the plan has their warmest approbation, and if they even consent to borrow it from the state as specie. To come to the point at once. Is there a planter or farmer, who would sell the whole of his crop, at the present price, for this paper? Is there a gentleman, who has just placed his specie at interest, with good security, who would be willing to take it? Would a merchant take it, for an allotment of saleable goods, at the current price? If these questions must be answered in the negative, the legislature should adopt some very effectual measure, to supply the want of opinion, if they expect bills of credit to serve as a circulating medium, to comply with the just requisitions of congress, and, in every respect, to be equal to gold and silver.

I believe, the wit of man can devise no method for the support of paper, where opinion fails, except by creating uses and demands. To talk of ample funds for their redemption at a distant day, betrays a total ignorance of the subject. The truth is, that bills of credit, which have neither opinion, nor demand, for their support, can be considered on no better footing than the notes or obligations of a private person. Let the wealthiest, most reputable man in the state, pass his bond for 100 pounds, or any smaller sum, payable in five years, and it would sell to very few men for more than one half; but only contrive, that this bond shall fulfil every purpose that specie can do, and it will immediately be equal in value. It will be just the same with public bills of credit. If the debtor knows, that he can, without injustice, discharge therewith specie debts; if the merchant is satisfied that he can dispose of

it in other states, as specie; if government will receive it as such for taxes; if it can at any time be exchanged without difficulty for gold and silver; then is it, to all intents and purposes, equal to gold and silver. If there is a single material use which it will not answer, then will a difference be made between it and specie. The government may provide, that it shall be taken for taxes and debts due to the state; it may make it a legal tender between individuals; but as the payment of debts and taxes does not comprehend the greatest uses of money, these provisions will be found inadequate. By creating a single demand, you might indeed make paper of any value you please. For instance—the taxes to be levied in any one year amount to 120,000 pounds specie; you afterwards emit bills of credit to the amount of 30,000 pounds, and ordain, that one dollar shall discharge as much of the tax as two silver dollars. Here then is a hot and pressing demand for 60,000 pounds, to discharge 120,000 pounds specie, and there is but just half enough to answer it fully; there will be a competition among the purchasers, and, probably, about 12/6 specie may be bid for a dollar bill. I do not learn that such a plan of emission as this is in contemplation. I do not think the state could afford to adopt it. It must nevertheless be a scheme somewhat similar at this time, which can make paper equal or superior to specie. To make it exactly equal, would require a nicety of political calculation, not to be found in more than one man belonging to the state.

An attention to the history of red money, will illustrate every position. In the campaign of 1781, the community was destitute of a proper circulating medium, and the state wanted the means of carrying on the war. The sum of 200,000 pounds was directed to be issued in bills of credit, redeemable within four years; (it is needless to mention, how they came into the hands of the people, and how long it was before the whole were emitted.) British property, to the amount of a much greater sum, was appropriated for their redemption, and great part of it immediately sold; private property was likewise mortgaged; to crown all, there was a general association, and men pledged their sacred honour to receive them as specie. Was it possible for a plan so well concerted to fail? To the eternal disgrace of the people of Maryland, and more particularly the merchants of Baltimore, some men will exclaim, it did fail. But I say, that neither the people, nor the merchants, were to blame; it was impossible for it to succeed; opinion was wanted, and the legislature did not create uses and demands to supply the defect. Notwithstanding every provision they had made, it scarcely passed as specie at all between individuals. Some few creditors indeed, who could not violate so recent and solemn an engagement, received it with reluctance. A few merchants, of more than common public spirit, sold goods for it at the old price; others, more prudently, either raised the price, or laid up their most saleable merchandise; and the farmers and planters generally would not sell their commodities at all. After a very little time, the signers of the association considered themselves as absolved from their engagement; there was then but one immediate use for the bills, and that was to pay for the confiscated property already sold for their redemption; and no body would touch them, except a very few speculators, who calculated on the present value of money, payable at a future day, or those who wanted to sell them to the purchasers of the confiscated property, or the purchasers themselves. This demand fixed the price for a little time at two for one, and at that rate they passed, sometimes, as a medium of barter, the uncertainty of the rate, at which they might be received at the treasury, undoubtedly having influenced the price. The memorable dissent of the senate soon took away the only immediate certain use, and they instantly ceased to circulate. Another use was created—a dollar in these bills was to go as far in the payment of taxes as a bushel of wheat, the price of which was between four and five shillings; or twenty shillings would discharge as much as 100 pounds of tobacco, the price of which was between 12/6 and fifteen shillings. The price then of the bills being regulated by the demands of the people, who would not speculate but for advantage, they were again sold at no higher rate than two for one. As the time for collecting the tax approached, or, as wheat and tobacco rose in value, they also rose, and were sometimes sold at the rate of three for two. They are now taken by the treasurer at par, and, as there is a very inconsiderable sum in the hands of the people compared with the demand, they have at length attained a value within 20 per cent. equal to that of specie.

The principles here laid down were more briefly explained by a writer two years ago; they were considered, by some very profound politicians, as the crude notions and wild dreams of a visionary projector. I have, in this essay, endeavoured to be as full and distinct as possible, and I flatter myself, that experience hath set its seal to every one of my positions. By some discerning men, I may probably be thought too prolix; and to have laboured to demonstrate self-evident truths; but if other gentlemen of respectable talents and reputation have proposed a paper emission; if a majority of the people are clamorous for the measure; and if the assembly are already deliberating on the proposition, I conceived it my duty, as well as my right, to offer my opinion. A little reading, with a great deal of reflection, has given me some insight into the nature of public credit; and, without vanity (for I have gained nothing by the science) I have never materially erred in my predictions, respecting that amazing variety of paper money, with which this state has amused and cajoled its citizens; it has enriched men without merit or industry; and impoverished men without a fault. During the war it might be necessary; but it is, at this time, the business of a wise and honest government to repair, not multiply, mischiefs; to restore public credit; to conciliate the affections of its people; and, as far as possible, to do justice to all. When these things are brought about; when obstinate prejudices shall be removed, and injuries totally forgotten; if the exigencies of the state should absolutely require it; there is a possibility, that bills of credit may again become money. Until that period, I confess myself, and I believe every other man, unequal to the task of devising a safe and eligible plan of an emission.

I come now to examine the arguments adduced to demonstrate, that, if even this emission should not be

equal to gold and silver, the public will, nevertheless, derive a benefit, which, in its distressed situation, we ought to forego. Calculations have been made of the demands for the ensuing year, and the amount has been said to be somewhere about 150,000 pounds—a sum ample enough to alarm people, who are unwilling to bear a part of that or any other burthen. It is a sum, which is declared to far beyond the abilities of the people, that it is idle to attempt raising it by taxation; we are not only to contrive means to lessen it, but must throw into circulation some kind of money with which the residue may be paid.—For what purposes are we to raise money at all? Is it not to comply with the requisitions of congress, to pay the interest of our debt, and to defray the expences of our government? However we may treat our own citizens; in whatever odious light we may view the civil list; however weak their claims may be; we cannot pretend to evade the just demands of congress; we cannot thrust paper upon them, nor can we offer it to their creditors. If ever we mean to be a happy respectable people; if we wish not to betray our ingratitude to Providence by wronging those men, who have been its instruments in securing our freedom, we must abandon that narrow system, which the state arbitrary plea of necessity can no longer support. The requisitions of congress do not greatly exceed 80,000 pounds. There will be an equal demand every year, till the continental debt is diminished. If reasonable duties upon trade, if a variety of other duties, together with a moderate assessment tax, will not furnish this sum, besides what is necessary for our internal government; if we cannot honestly raise it at all; then are we a poor, miserable, contemptible people; and it would be infinitely better to declare a bankruptcy at once, and begin anew, with a firm resolution to be honest for the future, than be constantly driven to the most pitiful shifts, to deceive or abuse our creditors.

But, where is the necessity for alarming our fears with respect to the state debts? Why is the list charged with articles which ought to have been left out, or placed to our credit in the account with congress? The debts due to the state amount to a large sum; confiscated property, to a great value, remains untold; and I believe men might be found, who would gladly take upon them the whole state debt, provided the legislature would assign them this property, with the bonds lodged in the treasury. Their plan, I conceive, would be this; they would adopt the fair rule of discount; they would sell the remaining confiscated property for any kind of government paper; and I must think, that nothing but a blind resentment against speculators, or some secret motive of interest, can prevent men from seeing the propriety and usefulness of the scheme.

In my apprehension, then, there needs not one farthing to be levied on the people, or raised by any new device, on account of the state debt.

Some little consideration, after all, is due to the civil list. To attend only to the senseless clamour on an election, one would imagine, that every farthing writted from the "hard hand of the peasant," was applied to the fattening a few lazy officers of government. The plain honest truth is this; the legislature never voted them a bare subsistence; it has frequently violated its engagements with respect to compensation; they have been injured more than any others by depreciation; they have been constantly soothed with the hope of something better at the conclusion of the war; their salaries are now to be diminished; and, for even the poor pittance allowed them, it seems they must wait or receive paper. If there is aught of justice, humanity, or policy, in all this, I have neither sense to perceive, nor can I ever to acknowledge it.

If, then, bills of credit cannot serve as a medium of trade; if congress will not receive them from the state; if it is unjust to force them on our creditors; and if they cannot be applied to defray the expences of our government; what are the advantages expected from an emission?

I have been reasoning against bills of credit in general; I have not had the honour to peruse the particular plans offered to the house of delegates. I am told, that 300,000 pounds are proposed to be emitted in bills of credit, bearing no interest, and redeemable at the end of five years. There are two ways for it to get into the hands of the people; it is to be let upon interest, or exchanged for certificates; by the first mode the state receives, by the second it loses, interest, and in the five years will gain 90,000 pounds.

It would be an easy matter to expose great errors in the calculation, although I make no doubt a considerable part, if not the whole, might be issued in the one or the other way. The holders of certificates, perceiving no fund provided for paying them either principal or interest in specie, would probably exchange, if even these bills should have depreciated 100 per cent. and many persons would incline to borrow them on the same principles that they wished to borrow red money as specie, when the passing value was only one for two. Is it fair and honest, by not paying creditors their interest, and denying them the right of discounting the principal, to compel them to relinquish so b for this trashy paper? Would you court rash enterprising men to embark in the most extravagant ruinous plans? Would you give speculators—the men you have abused so long—would you give them another fair field to display their talents? Will you commit the most flagrant injustice? Will you thrust daggers into the hearts of your creditors? Will you, if it be possible, reduce public credit to a more deplorable state? And will you do all this on the principle of benefit to the public? No project, which is big with so many complicated evils, can be salutary to the state; and if instead of 90,000 pounds, it could gain a million, the scheme deserves to be damned.

A REVIEWER.

Annapolis, December 2, 1783.

MR. PRINTER,

THE following plans for discharging the debts due by the state, have been lately circulated in manuscript. They are of different complexions, but both have their advocates. You will oblige some of your readers by publishing them, in order that the people may judge of their respective merits.

Another plan for discharging the debt due by the state. Issue bills of credit to the amount of the debts due by the state to its citizens—say—£. 441,470.

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