

foreign capitalists, the present period of time is esteemed to be the most auspicious for such a purpose, as it is believed that the State could borrow any desirable amount of capital at an annual charge of four *per centum*, if not, indeed, upon better terms.—And that capital being loaned at six, and the difference of two *per centum*, being successively invested semi-annually, would produce an accumulation sufficient to redeem the whole, in less than twenty-four years.

It hence is palpable, that, without resorting to direct taxation, *the reserved sources of revenue in contemplation might be employed most beneficially in the promotion of the various projects of improvement which engage the consideration of the Legislature.*

But let it be supposed that the State should borrow from foreigners to an amount of not less than one million of dollars annually, throughout a series of ten years, at a rate of interest not exceeding three and one third of one *per centum per annum*, and that *the principle should be redeemed at the pleasure of the Legislature*—terms on which it has been ascertained that money could have been procured, the operation would have been more beneficial even than that suggested in the foregoing estimate.

That so large a capital as the entire amount proposed, would not be immediately required by the wants of trade and interchanges in this State may be admitted; but, in the meantime, the redundant money might be invested in the productive stocks of other States, and be withdrawn successively *in due obedience to those demands which would proceed in fair progression from its employment as contemplated by the operations of the public bank*, in which it has been shewn that from an accumulation of even two *per centum* semi-annually invested in a capital drawing interest at the rate of six *per centum per annum*, with the interest accruing reinvested in succession, that a duplication of the original principal would be effected in less than twenty-four years—and it is equally demonstrable that the means derived from the supposed negotiation, if employed according to the “*customary discount on bank credits*” would produce a duplication *in less than seventeen years*—and, consequently the whole amount, which might be borrowed, would be gained to the State, by its own operations, within the period specified from each successive negotiation.

But the direct accession of the productive money would be small in comparison with the effective influence of its circulation upon *all the interest of our State and people.*