

41

taxes are to be paid," as being "not only a proper, but a necessary exercise of the power of collecting them. Accordingly, Congress, in the law concerning the collection of the duties on imposts and tonnage, have provided that they shall be payable in silver or gold—but, while it was an indispensable part of the work to say in what they should be paid, the choice of the specific thing was a mere matter of discretion. The payment might have been required in the commodities themselves—taxes in kind are not without precedent even in the United States, or it might have been in the paper money of the several states, or in the bills of the Bank of North America, New York or Massachusetts, all or each of them; or it might have been, in *bills issued under the AUTHORITY OF THE UNITED STATES*. No part of this, it is presumed, can be disputed. The appointment of the money or thing in which the taxes are to be paid is an incident to the power of collection; and among the expedients which may be adopted, is that of bills issued under the authority of the United States"—these are the views of HAMILTON—and this contemporaneous commentary has received the sanction of succeeding sages in every department of the government in the practical employment of TREASURY NOTES as a medium of EXCHANGE AND CIRCULATION.

It therefore appears that a paper currency is not inhibited by the constitution, and that such a currency may be created by the congress and fairly distributed among the States, under proper guards and regulations to insure its credit and convertibility into gold or silver, and to promote incalculably the general welfare, is equally practicable, and clearly consistent with the genius and spirit of our institutions, as the productive principles, of a high and valuable prerogative would be diffused by its operations to the whole people, and not confined to the special profit of a favored few, or privileged order. The plan, indeed, is esteemed sufficient for all the benefits in contemplation, without the evils incident to a soulless COMBINATION OF COOPERATORS—it is, as well, in virtual accord with the expressed opinions of the Chief Magistrate of this Union, and in extension of his design for the future custody and disbursement of the public moneys, as it proposes, in substance a national bank of EXCHANGE AND DEPOSITE, without the privileges of issuing notes, or loaning money, as regards the General Government, in connection with a system of institutions for the receipt and distribution