

lower, have saved money to the State by making new loans to substitute for the old. Although it was of no advantage, to borrow at a low rate of interest for the purpose of buying up at a premium stocks not yet redeemable; yet, if those stocks had become redeemable, and so could be discharged at par, and the cash for their redemption was not in the treasury, it certainly would be a great saving to the State, to borrow the sum necessary to redeem them, at a lower rate of interest, than we should have to pay if the old loan continued unredeemed. If the money was actually in the treasury, of course apply it to the discharge of the debt; no new loan would then be necessary or proper. Money certainly bears a higher rate of interest at one time than at another, and a man who contracts a debt when money is scarce, is benefitted, if money should be abundant at the time when his debt becomes payable. Of this, Mr. D. gave a familiar illustration.

Allusion had been made to the sinking fund of Mr. Pitt. It was, indeed, an extraordinary delusion of that great man, though not confined to him. He had looked upon a sinking fund as if it were some magical machine for generating money, and which of its own efficacy, independently of taxation, could pay off a public debt. Such a notion seemed to have prevailed among many in our own State. But, in fact, our sinking fund was nothing more than the appropriation at stated periods of a portion of the proceeds of taxation, or other revenue, to the redemption or extinguishment of so much of the principal of the debt. Any other notion of it was a fallacy, and one of a most dangerous kind.

Mr. D. concluded, by saying, that he really could not see that the dangers apprehended by gentlemen would arise from the adoption of his substitute, and he would, therefore, adhere to it.

Mr. GRASON regretted that he came into the Convention so late, as to be prevented from hearing the gentleman from Anne Arundel, and other gentlemen who had preceded him. He wished, however, to state his objections to the proposition. The amendment of his colleague, (Mr. George,) was intended to prohibit debts from being hereafter incurred for works of internal improvement, while that of the gentleman from Anne Arundel, (Mr. Donaldson,) provided, that a part of the surplus revenue might, in a certain contingency, be applied to the extension of such works. How easy would it be for the Legislature, under the influence of speculative and visionary men, to pass a law for that purpose, and to provide, that after the payment of the public debt, the surplus in the treasury should be applied to the construction of railroads and canals. It had been estimated that the public debt would be extinguished in twelve years, but many events might occur to defeat so desirable an object. Within the period assigned for the payment of the State debt, the United States might be involved in a war, and, in that case, our efforts for that purpose, would be arrested for an indefinite period. The gentleman from Anne Arundel, seemed to think that the time would come when we shall have no other use for the

public money, but to invest it in internal improvements; but, he believed, that no new works would result in advantage to the State. We cannot carry the Chesapeake and Ohio canal beyond Cumberland, and our railroads had already been extended beyond the limits of the State. He wished now, while the people of the whole State were suffering under the burden of a public debt, that the Legislature should be deprived of the power of involving the State in future difficulties. Should there be a large surplus revenue hereafter, of which there was very little prospect, it might be applied to the use of the counties in relieving them from their annual county assessments. Unless restrictions were imposed on the Legislature, to prevent appropriations for works of internal improvement, he was satisfied the people would reject the Constitution.

Mr. BROWN briefly stated his opinion that we ought to leave the Legislature untied in reference to this subject of appropriations; although there were some matters in which he would feel no objection to impose restrictions on the Legislature.

Mr. DONALDSON explained.

Mr. JENIFER, in a very few remarks, defended the late Governor of Maryland against the imputations of the gentleman from Frederick as to his political opinions. Differing as he did from the ex-Governor in his general political views, there was no act of his, during his administration, which had done so much to sustain the political reputation of the State, as the message which had been animadverted upon. He happened to be abroad at the time, and he knew the effect which was produced by it on our credit in the European market. The stocks of the State immediately rose. If any one act of that gentleman's political life ought to be selected above all the rest for its wisdom, it should be this, which stemmed the tide of ruin.

Mr. THOMAS said that nothing had fallen from the gentleman from Charles to change his, (Mr. T.'s,) opinion on the subject. He hoped that we would, by paying our debts, hasten the day when nothing said here by a Governor of the State, or by a member of the House of Delegates, could affect, in any way, the value of stocks abroad. He knew very well how speculators could use these matters so as to make fortunes. They were of no advantage to holders of these securities who held them as permanent investments. Although the surplus money in the treasury might sometimes be employed to buy stocks when it could be done with advantage to the State, they could never be used to continue a system of internal improvements; and it was on this point that he differed from the late Governor, although he did so with the greatest respect for him personally. He did not see, however, how the message could have affected the price of stocks in the hands of holders, who looked to the dividends on these State bonds as a means of support for themselves and their heirs. This class of holders would get their quarterly or semi-annual dividends from the treasurer, whether the bonds were above or below par in the markets in this country or in Europe, and he would do nothing, he would