

bers,) had ably supported the same side of the question. Mr. D. repeated what he had before asserted on this point, and said, that if it were fully realised that all our debt would be discharged in the course of ten or twelve years, the present value of every rood of land in the State would be increased, in spite of the taxes we have to pay.

In regard to the system of internal improvement adopted by this State, and the consequent burdens of taxation, he took the liberty of differing in some degree from the gentleman from Cecil, who seemed to look upon them as evils of such tremendous magnitude. He, himself, when he considered the peculiar position and circumstances of Maryland, did not hesitate to say, that in spite of all the money recklessly wasted on projects that should not have been entertained, and in spite of all the taxation we had suffered, the whole result had been beneficial to the State. Those public works which were already productive of great benefit to the State, and which he considered absolutely essential to her future prosperity, would not have been undertaken, if they had depended solely on private capital and enterprise. If they had not been undertaken, Maryland would have sunk into insignificance among her sister States. Nor has the pressure of debt been without its advantages to us, not only in testing the public virtue, but in giving valuable lessons for the future. The system would have been an almost unmixed benefit, if the true financial principle had been followed, of providing in the laws creating the debt, substantial ways and means for its liquidation. As the State then had no receipts from internal improvements, taxation should have been at once resorted to. Then extravagance and speculative schemes would have been effectually checked. Still, taking matters at the worst, the whole result was, in his opinion, beneficial.

Mr. DORSEY without intending to make any extensive remarks, could not but notice some of the strange propositions which he had heard, as to the effect of the conversion of stock, and the calculations which had been made of the early extinguishment of the public debt. He had never felt any great horror of a mere public debt. The only real ground of dread is, when a State has a heavy debt, which it is unable to pay. The State was now in such a condition, that if the amendment proposed the other day by the gentleman from Worcester, had been adopted, he should have said we were in a state of happy exemption from all disquietude upon the subject. He knew that a great part of the debt would not be payable until 1870 and 1890, and he also knew that all the calculations which had been made of the actual payment of the entire public debt were somewhat problematical. Some of the persons who hold Maryland debt, will hold on to their bonds, and reject all offers for their redemption; but the number of such is not large, and they interpose no serious obstacle to the State's emancipation from its public debt. The great body of the bond holders are mere speculators, who hold the debt not as a permanent investment, but as

an article of traffic, a subject for speculation, and on offering them a shade above the market price, the stock is at your service and is thereby redeemed. The State will, therefore, meet with no difficulty in redeeming the great portion of its debt, as soon as it possesses the means of doing so.

He desired the sinking fund or rather its income and accumulations to be used for that purpose, as it heretofore has been as long as the holders of the State debt, would, by sale or redemption, permit the operation. When the impracticable stockholders, (if he might so call them,) put an end to the operations of the sinking fund in Maryland stocks its investments should be made in State stocks of Massachusetts, New York, Virginia, etc., until the amount thereof purchased, was adequate to the payment of the Maryland debt as its maturity, and in the meantime, to keep down the interest thereon. At that desirable epoch, he regarded our State debt as paid; it then would cease to excite dread or apprehensions in the minds of the most timorous. He stated that the value of State stock, mainly depended on the remoteness of the period at which it was redeemable. The more remote that period, the higher the market price of the stock.

He, therefore, was in favor of the power proposed to be given by the gentleman from Charles. But his desire for its adoption had been nearly extinguished, by an amendment he had accepted, which, he believed, had almost wholly paralyzed its original efficiency.

Mr. McLANE enquired of Mr. DORSEY, if he could name any instance in which such a financial operation as that contemplated by the gentleman from Charles, had ever taken place?

Mr. DORSEY could not, at the moment, call to mind any such instance, as he was not very conversant with stock operations, never having been engaged in them, but had no doubt there had been many such, for reasons most obvious.

He then illustrated his statement by putting a supposititious case of a transaction between two individuals; and stated that he had seen accounts of such transactions, but could not now specify time. He repeated that the value of the State bonds depended on the time they had to run. He had seen in a recent publication of the price of stocks, that a five per cent. stock which had a long time to run, was selling at a higher price than a six per cent. stock redeemable in a shorter period. This he had seen, and he supposed others also had seen it.

He presumed the five per cent stock had a long time to run, and that the six per cent. stock was payable now or in some short period. He objected to the limitation of seven years, because he conceived it was too short a period. He did not think the debt could be paid in twelve or fourteen years, not because the State would not be able to pay it before that time, but because all the holders of the bonds will not sell or receive the money for them. But the gentleman from Cecil asks if we have a surplus in the Treasury what do we mean to do with it? And then he goes on to express his fears that it will be dis-