

Allegany, Washington and Montgomery counties, I tell the gentleman their name is legion in the city of Baltimore. The scrip issued by Francis Thomas, its former president, covers the whole State.

My theory therefore is that the condition of the creditors of that company would not be in the slightest degree affected by the change of ownership. A fair claim would be as strong against the new owner as against the existing owner. The property would be sold subject to those conditions, whatever they might be, and the same security would be at hand for the purpose of meeting the payment of the creditors, whoever they might be. And, indeed, I hold, opposite to the views of the gentleman from Howard county (Mr. Sands,) a much greater security. Because if it should be bought by private capitalists, it would be conducted with all that energy, care, industry and capacity of management which characterizes individual enterprise. All experience conclusively demonstrates that individuals are infinitely better qualified to conduct these enterprises than States or organized political bodies of any kind.

I only arose to answer that particular view of this subject. I desire that the members of this convention will not be misled by any idea that they are to inflict loss upon private creditors by the change of ownership in these public works, unless they look to the possibilities and peradventures which may turn up in some very distant period of the future. It may be possible that in twenty years from now these creditors would get a hundred cents on the dollar. But that is a bare possibility, and one that I think ought not to enter into the deliberative judgment of this house, in determining what should be its present action.

I hold that the true interest of the State will be promoted by a change of ownership in that work, and in other public works. I believe that the State never embarked in any of those enterprises with a view to any pecuniary profit, but simply for the purpose of developing the resources and wealth of the State for the benefit of the people at large. I believe that the interest which the State is to receive, and was designed to receive from all these enterprises, was that interest which would address itself to the individual interests of her people, and not to her interest in her political capacity.

Now, it would be inferred from the tenor of the argument of the gentleman, that this convention was about to make this sale forthwith; that we were about to confer authority, in pursuance of a constitutional provision, upon commissioners at once and without restriction, to effect this sale. Now the gentleman knows, and every gentleman here knows, that the second branch of this proposition is most carefully guarded, and

in fact devolves upon the legislature the entire power over this subject, because it is in the power of the legislature to restrain the sale, to qualify the sale, to control the sale; and if they think proper to entirely invalidate any sale of this work that may be made, so that we are not incurring any danger whatever in giving this power to agents who are to exercise it only in this qualified form. This much in answer to the gentleman from Howard (Mr. Sands.)

I have one or two words to say upon the proposition itself. If I understand it, it shall receive my support, with or without this last clause, submitting the question to the people.

Mr. STIRLING. I do not know anything about the facts stated by my friend from Howard (Mr. Sands.) But I would ask, might not this sale affect creditors in this way? These debts are mere common debts, and a large part of them barred by limitation. And any private individual that buys this interest will plead the limitation. But so long as the State keeps control, this State would not plead the limitation.

Mr. RIDGELY. I do not think so. But even suppose that condition of things should exist; the legislature is clothed with power to protect the interests of these people. A contract of sale cannot be made without the assent of the legislature. And these people can approach the legislature and invoke its protection, and under such circumstances will obtain it.

Mr. HEBB. The State of Maryland did recognize the claims of these creditors, when in 1842 it passed a law to sell the State's interest in works of internal improvement to pay the debts of the State. That law provides:

"That before any transfer shall be made of the interest of the State in the said Chesapeake and Ohio Canal, the Chesapeake and Ohio Canal Company shall in proper form secure to the holders of scrip and other creditors of said company, the payment of said scrip and debts within twenty years from the date of said transfer with annual interest at six per cent., the capital of said bonds to be payable at the option of said company either in current money or State bonds outstanding."

Showing that the State in 1842 recognized these debts. The State has a mortgage upon the canal to the amount of \$15,000,000, or \$16,000,000. Now, any company that bought this interest would not recognize these individual debts to which the gentleman from Howard (Mr. Sands) refers.

Mr. RIDGELY. Of course the State would sell subject to all the conditions which surround the property. And if these circumstances impaired the value of the property, of course she would have to take the consequences.