

The measure proposed is a measure of necessity. Repeated experiments have shown, that the revenue to be raised within these states is altogether inadequate to the public wants. The deficiency can only be supplied by loans. Our applications to the foreign powers, on whose friendship we depend, have had a success far short of our necessities. The next resource is to borrow from individuals. These will neither be actuated by generosity nor reasons of state. 'Tis to their interest alone we must appeal. To conciliate this, we must not only stipulate a proper compensation for what they lend, but we must give security for the performance.—We must pledge an ascertained fund; simple and productive in its nature; general in its principle, and at the disposal of a single will. There can be little confidence in a security under the constant revivals of thirteen different deliberatives. It must, once for all, be defined and established on the faith of the states solemnly pledged to each other, and not revocable by any without a breach of the general compact.

'Tis by such expedients that nations, whose resources are understood, whose reputations and governments are erected on the foundation of ages, are enabled to obtain a solid and extensive credit. Would it be reasonable in us to hope for more easy terms, who have so recently assumed our rank among the nations? Is it not to be expected, that individuals will be cautious in lending their money to a people in our circumstances; and that they will at least require the best security we can give?

We have an enemy vigilant, intriguing, well acquainted with our defects and embarrassments. We may expect that he will make every effort to inflame difficulties into individuals, and in the present posture of our internal affairs, he will have too plausible ground on which to tread. Our necessities have obliged us to embrace measures with respect to our public credit, calculated to inspire distrust. The prepossessions on this article must naturally be against us, and it is therefore indispensable we should endeavour to remove them, by such means as will be the most obvious and striking.

It was with these views congress determined on a general fund; and the one they have recommended must, upon a thorough examination, appear to have fewer inconveniences than any other.

It has been remarked as an essential part of the plan, that the fund should depend on a single will. This will not be the case unless the collection, as well as the appropriation, is under the controul of the United States; for it is evident, that after the duty is agreed upon, it may in a great measure be defeated by an ineffectual mode of levying it. The United States have a common interest in an uniform and equally energetic collection; and not only policy, but justice to all the parts of the union, designates the utility of lodging the power of making it where the interest is common. Without this it might in reality operate as a very unequal tax.

Third objection. "That by granting to congress a power to collect monies from the commerce of these states indefinitely as to time and quantity, and for the expenditure of which they are not to be accountable to the states, they would become independent of their constituents, and so the proposed impost is repugnant to the liberty of the United States."

Admitting the principle of this objection to be true, still it ought to have no weight in the present case, because there is no analogy between the principle and the fact.

First. The fund proposed is sufficiently definite as to time, because it is only co-extensive with the existence of the debt contracted and to be contracted in the course of the war. Congress are persuaded that it is as remote from the intention of their constituents to perpetuate that debt, as to extinguish it at once by a faithless neglect of providing the means to fulfil the public engagements. Their ability to discharge it in a moderate time, can as little be doubted as their inclination, and the moment that debt ceases, the duty, so far as respects the present provision, ceases with it.

The resolution recommending the duty, specifies the object of it to be the discharge of the principal and interest of the debts already contracted, or which may be contracted on the faith of the United States for supporting the present war.

Secondly. The rate per cent. is fixed, and it is not at the option of the United States to increase it. Though the product will vary according to the variations in trade; yet as there is this limitation of the rate, it cannot be properly said to be indefinite as to quantity.

By the confederation, congress have an absolute discretion in determining the quantum of revenue requisite for the national expenditure. When this is done, nothing remains for the states, separately, but the mode of raising. No state can dispute the obligation to pay the sum demanded without a breach of the confederation; and when the money comes into the treasury the appropriation is the exclusive province of the federal government. This provision of the confederation (without which it would be an empty form) comprehends in it the principle in its fullest latitude, which objection under consideration treats as repugnant to the liberty of the United States, to wit; an indefinite power of prescribing the quantity of money to be raised, and of appropriating it when raised.

If it be said that the states individually, having the collection in their own hands, may refuse a compliance with exorbitant demands, the confederation will answer, that this is a point of which they have no constitutional liberty to judge. Such a refusal would be an exertion of power, not of right, and the same power which could disregard a requisition made on the authority of the confederation, might at any time arrest the collection of the duty.

The same kind of responsibility which exists with respect to the expenditure of the money furnished in the forms hitherto practised, would be equally applicable to the revenue from the imports.

The truth is, the security intended to the general liberty in the confederation, consists in the frequent election, and in the rotation of the members of congress, by which there is a constant and an effectual check upon them. This is the security which the people in every state enjoy against the usurpations of their internal governments; and it is the true source of security in a representative republic. The government, so constituted, ought to have the means necessary to answer the end of its institution. By weakening its

hands too much it may be rendered incapable of providing for the interior harmony, or the exterior defence of the state.

The measure in question, if not within the letter, is within the spirit of the confederation. Congress, by that, are empowered to borrow money for the use of the United States, and by implication, to concert the means necessary to accomplish the end. But without insisting upon this argument, if the confederation has not made proper provision for the exigencies of the states, it will be at all times the duty of congress to suggest further provisions; and when their proposals are submitted to the unanimous consent of the states, they can never be charged with exceeding the bounds of their trust. Such a consent is the basis and sanction of the confederation, which expressly, in the 13th article, empowers congress to agree to and propose such additional provision.

The remarks hitherto made, have had reference principally to the future prosecution of the war. There still remains an interesting light in which the subject ought to be viewed.

The United States have already contracted debts in Europe, and in this country, for which their faith is pledged. The capital of this debt can only be discharged by degrees; but a fund for this purpose, and for paying the interest annually, on every principle of policy and justice, ought to be provided. The omission will be the deepest ingratitude and cruelty to a large number of meritorious individuals, who, in the most critical periods of the war, have adventured their fortunes in support of our independence. It would stamp the national character with indelible disgrace.

An annual provision for the purpose will be too precarious. Its continuance and application were certain it would not afford complete relief. With many, the regular payment of interest, by occasional grants, would suffice; but with many more it would not. These want the use of the principal itself, and they have a right to it; but since it is not in our power to pay off the principal, the next expedient is to fund the debt and render the evidences of it negotiable.

Besides the advantage to individuals from this arrangement, the active stock of the nation would be increased by the whole amount of the domestic debt, and of course the abilities of the community to contribute to the public wants. The national credit would revive and stand hereafter on a secure basis.

This was another object of the proposed duty.

If it be conceded that a similar fund is necessary, it can hardly be disputed that the one recommended is the most eligible. It has been already shown that it affects all parts of the community, in proportion to their consumption, and has therefore the best pretensions to equity. It is the most agreeable tax to the people that can be imposed, because it is paid insensibly and seems to be voluntary.

It may perhaps be imagined that it is unfavourable to commerce, but the contrary can easily be demonstrated. It has been seen that it does not diminish the profit of the merchant and of course can be no diminution of his inducements to trade. It is too moderate in its amount to discourage the consumption of imported goods, and cannot on that account abridge the extent of importations. It even had this effect it would be an advantage to commerce by lessening the proportion of our imports to our exports, and inclining the balance in favour of this country.

The principal thing to be concerted for the advancement of commerce, is to promote exports. All impediments to these, either by way of prohibition or by increasing the prices of native commodities, decreasing by that means their sale and consumption at foreign markets, are injurious. Duties on exports have this operation. For the same reasons, taxes on possessions and the articles of our own growth or manufacture, whether in the form of a land tax, excise, or any other, are more hurtful to trade than impost duties. The tendency of all such taxes is to increase the prices of those articles which are the objects of exportation, and to enable others to undersell us abroad. The farmer, if he pays a heavy land tax, must endeavour to get more for the products of his farm; the mechanic and labourer, if they find the necessaries of life grow dearer by an excise, must endeavour to exact higher wages; and these causes will produce an increase of prices within, and operate against foreign commerce.

It is not, however, to be inferred, that the whole revenue ought to be drawn from imports; all extremes are to be rejected. The chief thing to be attended to is, that the weight of the taxes fall not too heavily in the first instance upon particular parts of the community. A judicious distribution of all kinds of taxable property, is a first principle in taxation. The tendency of these observations is only to shew, that taxes on possessions, on articles of our own growth and manufacture, are more prejudicial to trade than duties on imports.

The observations which conclude the letter on which these remarks are made, naturally lead to reflections that deserve the serious attention of every member of the union. There is a happy mean between too much confidence and excessive jealousy, in which the health and prosperity of a state consist. Either extreme is a dangerous vice; the first is a temptation to men in power to arrogate more than they have a right to—the latter enervates government, prevents system in the administration, defeats the most salutary measures, breeds confusion in the state, disgusts and discontents among the people, and may eventually prove as fatal to liberty as the opposite temper.

It is certainly pernicious to leave any government in a situation of responsibility disproportioned to its power.

The conduct of the war is intrusted to congress, and the public expectation turned upon them without any competent means at their command to satisfy the important trust. After the most full and solemn deliberation, under a collective view, of all the public difficulties, they recommend a measure which appears to them the corner stone of the public safety. They see this measure suspended for near two years—partly completed with by some of the states, rejected by one of them, and in danger on that account to be frustrated; the public embarrassments every day increasing; the dissatisfaction of the army growing more serious; the other creditors of the public clamouring for justice; both irritated by the delay of measures for their present

relief or future security, the hopes of our enemies encouraged to protract the war, the zeal of our friends depressed by an appearance of remissness and want of exertion on our part, congress harassed, the national character suffering and the national safety at the mercy of events.

This state of things cannot but be extremely painful to congress, and appear to your committee to make it their duty to be urgent to obviate the evils with which it is pregnant.

Resolved, That congress agree to the said report.

[To be continued.]

#### FOR THE MARYLAND GAZETTE.

IN a late Baltimore paper, the author of a fictitious epistle has attempted to exhibit the character of the intendant in a ludicrous light, and a subsequent writer with a wonderful affectation of gravity, has related the whimsical positions and reasoning of the former. I am pleased that due credit has been given to the first for the delicacy of his satire; and I admire the ingenuity displayed by the latter, for the emolument of those honest readers, who cannot comprehend, that a printed paper may speak one thing, and mean the reverse. In my opinion, they have both too lightly handled a subject which merits a very different treatment. To behold mere creature of the assembly, an officer unknown to the constitution, so far exalted with the ideas of his importance, as to assume a controul of the supreme executive power, disposing in an arbitrary manner of the public treasure, dispensing with the most positive laws, and aiming to reduce every officer in the government to slavish dependence on his will and pleasure; these things might indeed excite merriment, if the authority of the intendant, like that of Sancho in his government, were nothing more than a solemn mockery, and might be dissolved whenever it had fulfilled the purposes of amusement. The temper, talents, and principles of the intendant, are admirably calculated for improving the authority he has once gained—he stands on too firm a basis to be shaken by the slight blasts of ridicule;—he will therefore consider the powers of the intendant with all possible plainness and freedom, and examine some parts of his administration; so far at least as the lights I am possessed of enable me to speak with certainty and precision.

For a considerable time, almost the whole weight of public affairs was imposed on the governor and council by a variety of acts and resolves. It was impossible for them, or any other body of men, to manage every part with advantage. The people were burthened with severe taxes, which, from the misconduct or negligence of collectors, and the great waste and destruction of specifics, produced little to the treasury. This was an evil of the first magnitude, and the assembly judged wisely when they determined to commit the superintendance of the tax, and the management of specifics, to a single man; but in framing the bill, they went far beyond their first ideas—they seem, indeed, to have been influenced by a desire of punishing a set of men, for not doing more than was possible—they did not accurately distinguish between the peculiar duties of an executive and the power, which might, with propriety, be delegated to an intendant. To this single man, then, they committed a load, which none but an Atlas could sustain—to part even the intendant, I am told, objected in the strongest terms—the humour of his constituents however, prevailed; and the loose, indefinite, general terms, of the law might, without great violence, admit of the construction, which produced that memorable contest between rival powers, on these very important points—whether any new-created officer of the government can be exempt from the superintendance of the executive; and whether the executive could be subjected to the controul of a new-created officer—these points might possibly admit an easy decision; but the question has never been determined.

To inspect public property, to prevent waste, destruction, or embezzlement, to superintend the collection of the tax, to sell specific articles, and to prepare estimates for the information of the legislature, was, undoubtedly, the proper department of an intendant, and powers competent to the occasion ought to have been conferred; but to empower the intendant to examine and curtail accounts, after passing the auditor, and whilst they were still liable to be curtailed by the governor and council, was unnecessary—it held out the illiberal idea, that, unless the intendant "overlooked all," the state might be injured by a combination of its creditors with the executive, and the auditor. The trouble, vexation, and real difficulty, of going through so many offices, before an order could be obtained, and the necessity of receiving only one half, or waiting many years for the whole, excited universal disgust, and contributed to reduce public credit to a still more deplorable condition—this branch of the intendant's authority no longer exists, although it saved money to the state; for, in many instances, accounts have been curtailed by the intendant; and there have not been wanting some, where they have been totally rejected, after passing the auditor, and meeting with the approbation of the executive.

The power of releasing or compounding on contracts, and of apportioning money among the different departments, I conceive altogether improper, unless it can be proved, that a body of men, unconnected with each other, except by office, would be more apt to misapply the public treasure, than a single man, who, if assailable at all, cannot fail of being exposed to the wily arts of flattery and seduction. I cannot entertain the ungenerous suspicion, that interest dictated these two last exceptional clauses in the bill; experience soon evinced, that it was better to subject the money brought into the treasury to the direction of the governor and council alone, and to them alone does the direction at present legally belong.

To the first year of the intendant's administration, I shall only object, that he, by no means, answered the expectation I had entertained of the utility of the office. I lament the want of an opportunity of examining at leisure the report, which gained him so much credit at the last session; notwithstanding its very favourable reception, it did not appear to me, that taxes had been better collected, the public debts better levied, or specifics managed to a greater advantage; it indeed contained information respecting the amount of red, black, and continental state money, wish some other matters

of similar nature and in who heard it, with mater hours in the state of our tion might have been rec from our worthy treasure cessary to insure the f and if this principle perve tion, and the laws enacti mazing that the legislati this kind to be luomint public; every man might means of examining the it is necessary to deci knowledge of their affi free state, and no occa free war, can require that weak minds, and cente Among those, who u affairs, how few endea their own observation a impressions, and giving swim, and caprice, the experience. The trial o ed the proper duties of present intendant is qua et delegates were at n concluded with the opi should be continued.

purpose was rejected, a decide on any subject o By the senate their ther, about the cloie turn to opinions, it was of delegates. The thas business, may possibly tion to study, and find decide on any subject o My objections to th the last session are a By the supply bill fo appropriated to answer man concerned in the than every nerve, to not fully impressed w retaining public credit, prompt him to the mol der of individuals, red digence, by a fond r their country. What intendant on this tryi through the state, whi cate the necessity "of has been the result? ought to consider the ace, remitted their e partation at all, and a practicability of levyi They must be blindly who will contend, th by doing every thing nee he was chosen to

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Supporting for an authority, in the re dispense with the look for an exerci joined to consult w never asked their o piance with the la his power, he di stance which they After all I have the integrity of the embezzlement—I Ee money has found rors may be fairly applaus; and to his measures, whi thing I have yet n

The five shillings be paid to the tre continental receiv intendant; during of his power of d of their office, e he appropriates i he lodges it wit same, belonging have too high a suppose they wi when they are gally derived. A harmful influence every thing that excite the indign attention of the the legislature. I vent an enqui bills under con lated to throw a