

est was accompanied by, and proved the low price of labor and of the productions of industry." Now this position, Mr. M. considered essentially erroneous and the very reverse of the fact. A low rate of interest procured the abundance of money, and abundance of money always and inevitably produced enhancement of the price of labor and an increase in the price of all the productions of labor; this was plain to the simplest understanding; was proved by every man's experience, and as certain almost as a mathematical truth. As regarded supply and demand and relative values—money and all other articles of commerce, the productions of industry, occupied antagonistical positions—might be considered as being in opposite sides of a balance, whenever one side went down the other must of necessity go up. Whenever money becomes plenty and easy of procurement, other things would increase in their money price. These truths had been illustrated a thousand times, and were illustrated by the facts with which we were now surrounded; money is becoming plenty, the rate of interest is falling, or what is the same thing, interest bearing stocks are rising in the market, and labor, and all the products of labor, are consequently rising, and have greatly risen in price. Look at your two great staples—cotton and tobacco—they are both worth more than double the money they would have commanded a year ago. Look at the price of slaves, a direct evidence here of the value of labor; they are now worth and will command nearly double the price they have sold for a year since. The position assumed by the honorable gentleman is therefore erroneous, and this error runs through his whole argument and destroys therefore all its force. But the gentleman, (Mr. Thomas,) has said, if he could be *certain* of the results, he would be willing to borrow at three per cent. and pay off debts bearing six per cent. interest. Can any thing in nature be more certain in its results than such an operation? Even if the gentleman's theory about relative values and fluctuations in prices, were correct, still it would not affect the results of such an operation. Suppose the time to have arrived when the State owing ten millions of dollars of six per cent. bearing debt, and therefore paying annually six hundred thousand dollars interest, when the rate of interest is but three per cent., and she can therefore borrow other ten millions at three per cent, and pay off with it her six per cent. debt, upon this new loan she will thereafter have to pay but *three* hundred thousand dollars annually for interest, and her other debt will be extinguished. Will she not *certainly* and inevitably have made or saved the sum of *three* hundred thousand dollars annually—the sum of the difference between the interest on the new loan and the interest she has heretofore paid and would still have had to pay upon the old six per cent. debt had it not been extinguished in this way? This again is certain as mathematics and figures can make any thing, and entirely independent of all fluctuations in prices and values, let them rise and fall as they will, or be governed by what laws you please. This operation once performed, the gain to the State of the three hun-

dred thousand dollars annually is certain, and will be so as long as it is certain that three and three make six, or that three is the half of six. Let us illustrate by the case of an individual. Suppose some member of this Convention to owe his neighbor on bond at six per cent. interest, fifty thousand dollars, and has therefore to pay him three thousand dollars annually. Another neighbor has and is willing to lend this debtor fifty thousand dollars on his bond at an interest of three per cent. He borrows of this latter neighbor and pays off the first, and thereafter has to pay for interest but fifteen hundred dollars annually! Has he not profited, gained by the operation, or rather saved by it one half the interest on his old debt, fifteen hundred dollars a year? Nothing could be plainer nor more certain.

He would concur with the gentleman in restricting the power of the Legislature in any way, no matter how closely, so as to prevent all further appropriations to works of internal improvement. He knew such a restriction would be desirable and acceptable to his constituents—and no matter what might be his individual opinions, knowing their wishes, it was his duty, as it would be his pleasure, to carry them into effect. But he was anxious to see the power left with the Legislature to avail themselves of the good times, which were coming and to come, for debtors, to relieve, as far as possible, the people of Maryland from the burthens they had so long nobly and heroically borne. He was fully and sincerely opposed to the contracting of any further debt, whatsoever, by the State. But there was a large debt yet to be paid off, and for its speedy payment he wished to see that line of policy pursued, which it appeared to him was equally dictated by plain common sense, and the maxims of an enlightened political economy.

Mr. THOMAS wished to say a few words. Supposing that the State could borrow at a lower rate of interest for the purpose of paying off a debt at a higher rate, still he would oppose the transaction, because the lender would require that the loan should run for a long period, and the stock would be an instrument for speculation in the market. He repeated what he had before said, as to the relative value of money and labor, and the effect of the fluctuations to which they are liable. In his retirement, he said, that he had perused the message of the late Governor of Maryland, and, (he spoke with the highest personal respect towards that gentleman,) he could not but feel astonished at the doctrines put forth in that message, in which he recommended a continuance of taxation. Now he, (Mr. T.) had always supposed that when there was any surplus in the Treasury, if there were no bonds which required payment, the surplus ought to be guarded against, by the reduction of taxes. It appeared by the report to the Legislature, that there was a surplus in the treasury. It would have been proper, in these circumstances, as there are no bonds payable for many years to come, that the taxes would have been diminished. He referred to the period when, after the war of the revolution, the general government bound it-