

Annual Message by the people themselves, in the continued reelection of Representatives, who were most prominent in creating it; and the obligations of the State are in the hands of men, who relied upon her good faith, and whose borrowed money has been expended on her works. It is impossible to question the validity of the debt, or unmercifully to plead inability, without first making an effort to discharge it.

The assumption of the State debts by the General Government has been suggested as the most effectual means of extricating the State from their present embarrassments; but as this measure is beyond the control of Maryland, her safest course is to act on the supposition that she will be obliged to provide for the payment of her own debts. It has also been proposed to divide the proceeds of the public lands among the different States for purposes of internal improvement. The friends of education are competitors for this fund. Whether it will be applied to either or both these objects, or to the purposes of the General Government is a question which will probably not be settled, till our rail roads and canals are beyond the reach of assistance.

It has been proposed by those who are aware of the uncertainty of aid from the General Government, that territorial improvement companies should be authorized to issue paper money, based on the credit of the State, for the purpose of prosecuting their works. The Chesapeake and Ohio Canal Company has frequently resorted to the expedient of issuing scrip to relieve itself from existing debts which it had no other means of discharging. For the same reason it has recently issued scrip bearing interest and payable in State Bonds. It has been lately determined by the Baltimore and Ohio Rail Road Company to issue certificates for circulation, based on the credit of the stock which is to be paid for the city subscription of three millions of dollars. The stock is to be placed in the hands of Commissioners, for the redemption of the rail road certificates as fast as they are presented in sums not less than one hundred dollars. This is one of the means relied on for the construction of the road between Harper's Ferry and Cumberland. A company, constantly receiving and paying away money, may issue a certain amount of this kind of paper on the basis of its own operations. As much of it as is required for the payment of tolls and other charges may be kept continually in circulation, not on account of the security on which it rests, but because it answers all the purposes of money. To this extent, it is more valuable than State or City Stock, and will not be funded in either. When more is paid out than will fully circulate, the operation of funding will begin; and then the paper will sink below the value of the stock into which it is convertible. It will be distributed in small sums along the line of the works, among labourers and others, who do not deal in stocks, and who are not able to make permanent investments. It will be purchased at a discount by brokers and speculators, and sold to capitalists at a profit, for something less than the price of the stock. The depreciation of the stock suggested the idea of issuing this paper in its place. If it could have been sold for par or exchanged for bank notes, or had been available in any other form, the scheme would not have occurred to the companies, of issuing a paper currency, not to a small amount for circulation, but to such an extent as to coerce the conversion of it into depreciated funds. If the State and City Stocks rise to their proper