

Annual
Message

It has already been contended, that the general government has the power to assume the debts of the States, not because it was granted, but because it has been exercised. The precedent referred to, is the act of 1790, by which Congress assumed State debts in certain proportions, to the amount of twenty one millions five hundred thousand dollars. But payment was not to be made to State creditors, if it could be ascertained, that their certificates of debt were issued for any other purpose than for services or supplies towards the prosecution of the War. The holders of these certificates were considered creditors of the United States, because the debts of which they held the evidence, were contracted by the States in the common struggle for independence. If an argument can be drawn from this act, to prove that the general government has the power to assume State debts contracted for canals and rail roads, the question of power would be considered as settled, if continued appropriations were made by Congress to aid the States in the construction of such works. Constitutional objections being once removed, the only obstacle to a general assumption would be found in the difficulty of apportioning among the States, the benefit of shifting their burthens and responsibilities upon the Union. The debt of Maryland is fifteen millions, and taking that as the scale of assumption, it would be necessary to create a national debt of at least five hundred millions of dollars to relieve her from her present liabilities. The Government stock issued for this purpose, would pass into the possession of the States, and their creditors, and form a fund for new enterprises, new banks, and for speculations of every kind; which in the course of a few years, would produce the necessity for another assumption.

The public lands have been so often made the subject of Executive communications, that I could not withhold my own opinion, without appearing to concur in the sentiments of others; nor express them without examining the question at greater length, than is consistent with the proper limits of a message. It is for Congress however to decide, how this question is to be disposed of; and whether it be determined that the public territory belongs to the States or the Union, it will still be necessary for this State to resort to some other means for the support of her credit, and the fulfilment of her engagements. Her portion of this fund, under the new census, would, probably not exceed eighty thousand dollars a year, which would leave an annual deficiency of more than five hundred thousand, to be provided for in some other way. The Legislature will no doubt carefully consider every circumstance connected with the