which she has purchased, approach maturity; or she must suffer enormous losses, merely for the imbecile pleasure of accumulating a vast fund, twenty five years before her debt falls due. How far it is desirable that, she should become a speculator in the stocks of other States, you will, no doubt, fully appreciate. And, you will, also, perceive, that the same losses (with a greatly increased risk,) might be regarded as inevitable.

I am well aware that, these same difficulties must apply, in all their force, to the re-investments of the sinking fund. And for that very reason, amongst others, I am not for aggravating the evil, by the accumulation of unnecessary masses of capital, within short periods. I think that, such policy is not consistent with the spirit of a democratic Government. Overflowing Treasuries are the sources of much evil. Public credit, necessary revenues, and strict accountability, constitute the full measure of the Republican Economy of Finance. Moreover; even, if the debt could be paid, only dollar for dollar, and without risk, at the expiration of ten years, or, twenty years; still, I should feel constrained to oppose it, upon the clearest grounds of justice. If the huge debt under which the State labors, had proven to be a hopeless sacrifice, I would cheerfully admit that, the generation, by whose improvidence it had been contracted, should pay the last farthing of it. But, I can never concede, that, one generation is under any obligation whatever, to pay the entire cost of great and permanent Works, the benefits of which will descend to posterity for centuries. There is, in my judgment, but one question to be answered; and that is: can the taxes of the people be reduced, without danger to the credit of the State, and without impairing her certain ability to pay the debt, when due? If not; then, I am opposed to the reduction of a dollar. I have taken some pains, to place before you a complete view of the past and present financial operations of the State; from which, you may form a judgment of the future. It is important, here, that I should call your attention to the fact, that the sinking fund, at the close of the fiscal year, 1851, amounted to \$2,253,796.67. Without adding one dollar to that fund, from the general revenues, it will, by even the annual compounding of its own interest, (which is now re-invested quarterly,) reach the sum of \$4,507,593.34 in less than twelve years, from this date; \$9,015,186.68, in less than twenty-four years; and \$18,030,373.36, in less than thirty six years; which latter sum will stand to the credit of the State, in the year 1888; or, two years before the great bulk of the public debt (amounting to \$9,463,923.53,) falls due. Of course, in this calculation, must be taken into account the liquidation of the bonds (to the value of \$2,000,000,) which mature, in 1870; and which must be met by the sinking fund. At that time, the sinking fund, by its own unaided accretions, will have reached about six and a half millions of dollars. This interruption in the regular ratio of compounding (upon the entire fund, as it now stands,) will be more than counterbalanced, by the additions made to the fund, from time to time, out of the annual balances accruing from the general revenues; as, I have before shown. For this purpose, as well as to guard against the uncertain fluctuations of the money market, a reasonable margin should always be preserved, beyond the apparent annual wants of the Treasury. If this policy is managed with skill and caution, I can see no possible danger, to result from an immediate grant of relief to the Tax-payers. The condition of the finances fully justifies this recommendation. Another objection, however, of altogether a different character, has been urged against any interference with the present rate of taxation. It is an argument addressed to the fears of the timid and unbelieving. It is said, that, if we once open the way to the reduction of the taxes, we know not when, and how far, we [illegible]