

regulated legislation; whereas, such floating balances, deprived of a nucleus of accumulation, would furnish the occasions for an unsettled financial policy. Moreover, it does not follow, from the limited experiences of the past, that all of the future investments of the Sinking Fund will necessarily be made in State stock. When, in my last Annual Message, I objected to the policy of sending Maryland into the money market, with a large amount of forced revenues, to purchase her own stock at constantly enhancing prices; and, when I protested strongly against her appearing on 'change with masses of gold wrong from the over-taxed industry of the State, to speculate in foreign stocks; I did not forget that these same embarrassments might attend the annual re-investments of the Sinking Fund. No one can foresee what degree of difficulty may hereafter exist, in the application of the increments of the Sinking Fund to the purchase of State stock; especially, should you, and your successors, determine that a system of large surplus revenues shall be maintained, for the payment of the Public Debt, more than thirty years before its maturity. Such a policy must unquestionably give to the State stock a rapid appreciation, and thus increase the sacrifices to be made by the State in its purchase. It may, therefore, in the discretion of your successors, at some future period, be deemed advisable temporarily to invest the surplus revenues, in some other mode, than that which is now pursued, simply because it is as feasible as it is safe. Some such possible contingency seems to have been anticipated by the Majority of the Committee on Finance, in the Senate, when, in their Report at your last session, they said, that "it is only when our own bonds cannot be obtained at reasonable rates, that the Treasurer ought to have the choice of purchasing the securities of other States." In that point, the advantages of the systematized policy of a Sinking Fund would be fully conceded. That Fund is a perpetual monument of liquidation. It is a constant monitor against legislative extravagance. The people understand it; and look to it, as a beacon-light of hope. It is simple in its operations; it can produce no harm; and it has been productive of eminent good. The Constitution, in the twenty second section of Article III, fully recognizes the practical utility of the Sinking Fund, when it refers to the period, at which that Fund shall equal the outstanding debt of the State. This, likewise, has been called a fallacy; because, it has been said that a Sinking Fund, which consists of a portion of the Public Debt itself, purchased but not cancelled, can possess no intrinsic resources for the payment of an outstanding balance of that debt. It is precisely herein that the misapprehension is to be found. The Constitution