

The report states, that "the resolution of Congress recommending cessions by the States, looked to the public lands as a fund from which the expenses in maintaining and acquiring this territory, should be reimbursed." If this were correct, no distribution could take place till these expenses were reimbursed; and down to the present time, the expenditures have been many millions more than the receipts. But though it was a condition that the States should be indemnified for the expenses incurred by them respectively before the cession, yet the resolution of Congress proposed no mode of applying the fund, except that the land itself should be disposed of for the common benefit of the United States. Judge Story, in the same vol. page 186, declares "that to induce them (the States) to make liberal cessions, Congress declared that the ceded territory should be disposed of for the common benefit of the union.

The same writer in page 186, quotes the opinion of Mr. Madison, delivered in 1788, that the fund arising from the public land, though it is not of such a nature as to extricate the United States from their present distress, or for some time to come, to yield any regular supplies for the public expenses, yet it must hereafter be able, under proper management, both to effect a general discharge of the domestic debt and to furnish for a certain period, *liberal tributes to the federal treasury.*

Other passages are quoted by the Governor, from the same number of the Federalist, which, as well as those now copied from Judge Story, show conclusively, that Mr. Madison, in 1788, four years after the cession by Virginia, considered the land fund a national stock, and that it was applicable to the debt and expenses of the General Government, and that after the payment of the public debt, it would furnish, for a certain period, that is, till it was exhausted, *liberal tributes to the federal treasury.* Virginia had ceded more liberally than any other state in the union; and it was in her deed of cession that it was declared, that the lands were ceded for the common benefit of the United States, according to their respective proportions of the general charge and expenditure. Mr. Madison was one of the ablest representatives of Virginia in the Congress of the confederation, and in the convention that formed the constitution; he was intimately acquainted with the subject of the public lands, and with the claims of the General Government and the States; he knew the views and intentions of