

Fund, made since the middle of July last, were at par. It appears, then, that a few months have witnessed an appreciation of ten per cent. ; which the Majority of the Committee seem to have supposed could not be reasonably apprehended, for the next ten years. The six per cent. Sterling bonds, which, at that time were worth 104, are now quoted in the market at 109; and I can see no reason for their retrograding, nor remaining stationary at present prices. It may be again contended, as it has been heretofore, that the purchase of those bonds, even at a premium of nine per cent., would be an actual gain of three per cent., because of the present difference of twelve per cent. exchange, in favor of London, where they are redeemable. This argument would have much force in it, if Maryland was now under the necessity of paying those bonds; in which case, I presume, the holders would be as likely to see the advantage, and to enhance the price. But, who can say how the rate of exchange will stand, in future years? Who can define the period, for which the balance-sheets of this country will continue to be made up, in England? It is, I believe, one of the calculations of the American People, that the day is fast approaching, when they shall supply the half-fed population of Europe out of the abundance of their granaries, and hold the balance-sheets of the commercial world in their own hands. Suppose the exchange equalized, at the time when the bonds fall due; then, we shall have lost the nine per cent. premium paid for them. Suppose the present rate of exchange reversed; then, we shall have gained but three per cent. in the exchange, allowing for the loss on the premium. Therefore, to purchase at such a premium now, looking to the present rate of exchange only, might not prove to be a profitable operation, in the end.

I do not undertake to say that your refusal to reduce the taxes, at your last session, was the sole cause of this advance in the value of the State stocks. Other general causes, over which your legislation can exercise no control, had something to do with it. But, I am of the opinion, nevertheless, that the extraordinarily prosperous condition of the finances of the State, as shown at the close of the fiscal year 1851, together with the public knowledge of the fact, that the Treasurer was entering the Stock-market with four hundred thousand dollars, appropriated by you, at your last session, for the purchase of State Stock for the use of the Sinking Fund, had still more to do with it. I am equally convinced that, an announcement by you, at this session, of a determination to maintain the present rate of taxes, as a fixed policy, must ultimately produce the results apprehended by me, if no change should occur in the monetary affairs of the country.

It has been objected to the policy of a reduction of the taxes, that some interests, if not relieved, would complain of the relief granted to others. Certainly, this objection can have no force, if it