

prospect of relief. If we remain inactive, and neglect to take decisive measures, certain political ruin must soon follow. No mode occurred to us so proper as an emission of paper money, and you will see, that the scheme has only a great national object in view, and has no relation to private persons, debtor or creditor; nor can it, in any manner, affect private dealings. The emission palling at par with coin, will be received by creditors in general; and will also answer all the purposes of domestic commerce. We think the emission will not depreciate, because the paper is circulated on a pledge above twice its value, and therefore the borrower will not part with it under its nominal worth; and because the value of all commodities, even of gold and silver, depends on the quantity and use or demand for them. We are of opinion, that if any government should direct its taxes to be paid in paper money, it would thereby acquire a certain value, even though the term of its final redemption should depend altogether upon the pleasure of the government; if issued on private security, and receivable in taxes, it may add to its value in the opinion of the public. By the plan, the uses created for the paper exceed the quantity in circulation, and the taxes alone can easily employ and absorb the whole; and the sum annually decreases very considerably, by the sinking annually one twentieth of the capital, and one half of the interest.

The senate have differed in sentiment from us, and are opposed to any emission on loan. They have submitted the reasons for their opinion to your consideration, as we now submit ours, and you will give them such weight as you think they deserve. It appears to us, that the senate have assigned but one objection to an emission of paper money on loan, to wit, that it will depreciate: They have enumerated a great number of causes in support of their opinion, but it can only be a matter of judgment, to be determined by the event after trial. It is very clear to us, that if the money should depreciate, it cannot, in any manner, injure individuals; and we are not able to discover how the depreciation supposed (say five, ten, fifteen, or even twenty per cent. for argument sake) can injure our government. Let it be admitted that £. 100,000 brought into the treasury by taxes, should purchase tobacco and flour only worth £. 80,000 in gold and silver, this deficiency must be made up by a further tax, but the state will neither be richer or poorer. Suppose a man owes two silver dollars for his tax, for which he must give three bushels of wheat if no paper money, but if there is, he can procure two paper dollars for two bushels of wheat; will he increase or diminish his property by this circumstance? Why should paper money in this state depreciate more than in New-York or Pennsylvania, if emitted on as good a plan as in those states? In New-York the paper is issued on loan, on land security, and it passes at par with gold and silver, unless for the purchase of these metals for exportation, when the difference is two and a half per cent. In Pennsylvania their paper is issued for taxes, and passes current, except in the purchase of specie, in which case a difference is made from five to ten per cent. Both these governments are acknowledged to be in the most flourishing circumstances as to trade and wealth, and the most happy consequences have flowed from their paper emissions, both to the public and the individual.

It is objected by the senate, that our bill takes away the specie tax of 10s, which was applied to the use of congress, and also the supplies of specie arising from duties, two thirds of which were appropriated to congress.

We admit, that our bill directed the emission to be taken in payment of the said tax, and of the said duties; and in reply to these objections, and to all the arguments used to shew that a paper emission will deprive congress, and this state, of specie supplies, we observe, that the system of taxation which we have hitherto adopted, is declared by congress to be totally ineffectual, and, if pursued, must endanger the existence of the confederation. This state, on examination and inquiry, is found, on the system hitherto pursued, among the most deficient in complying with the requisitions of congress. Although the paper emission was made receivable for taxes in all cases, yet in all probability a considerable sum would be necessarily paid in gold and silver, because the demand of money for taxes and duties, for fees of office, fines, forfeitures and licences, exceeds the quantity of paper which will be in circulation at any one time. And with the paper thus paid for taxes, under the management of a proper revenue officer, the produce of our country might be purchased up, and supplies procured of gold and silver treble the sums produced by our former systems of taxes and duties.

It is objected also by the senate, that our bill introduces a tax of paper money for ten years, and suspends all taxes in specie for that period. This is a very mistaken construction of our bill. The emission is receivable in all taxes, and when received it lies in the treasury subject to the disposition of the general assembly. From the express terms and provisions therefore of the bill, the circulation may cease at any period the general assembly may think proper. The senate in their message express their desire of an emission for the purpose only of purchasing liquidated continental securities. This proposal from the senate we could neither agree to, nor confer on, without giving up the privilege of originating all money-matters, which privilege is granted to, and exclusively vested in, us by the constitution. We have already explained that one of the principal objects of the emission proposed by us was to obtain the means of procuring these continental securities. There is this manifest difference between the emission proposed by us, and that proposed by the senate. By our plan the money was first to circulate on loan, and every man, having land in fee, would have an opportunity of borrowing. By the proposal of the senate, the money was only to be taken out by the holders of the continental depreciated securities, and every person wanting this money for taxes could only borrow from them. Every objection from depreciation applies with greater force to an emission only to redeem final settlements, than to an emission to answer all the purposes of taxation, and the payment of officers and lawyers fees, which alone would require a great part of the sum in circulation. It appeared to us, that acceding to the scheme of emission to purchase final settlements, though it might greatly benefit the adventurers in these securities, would not answer any great public purpose,