

not forgotten, that the Secretary of the Treasury, in his annual report, has stated, that by an adequate reduction in the army and navy the necessitous state of our finances may be relieved. But perhaps, sir, it may be said, shall we, in the present undecided state as respects the belligerents of Europe, make any movement which shall indicate a disposition on our part to submit to those belligerents? Certainly not. But, Mr. R. asked, was there any one who heard him who seriously thought of war, or believed it a relation in which we could be placed? He for one did not. War with whom? War with France! Carried on where? By us here, and by France in old France? For she had no possessions in our neighbourhood. War with England!—Carried on where? In the hospitals at New-Orleans!—Granting that our situation with either of the belligerents was a hostile one, Mr. R. said, he for one would in that case still be ready to accede to his proposition—for he saw no use in keeping up an establishment, a costly set of tools, which we could not use.

It is possible, however, said Mr. R. that all this time I may be under a mistake—that there is a system, that there is a plan, that there is a concert—and indeed if the old maxim be true, *ars est celare artem*, ours must be one of the most refined systems—it eludes not only sight but would elude even a chemical analysis. I would wish to ask this House, after all that has been said or that can be said on the subject, whether we must not—we may make as many wry faces as we please—go back to that ground (if it be possible to regain it) which we have so childishly and wantonly abandoned? We must—we may begin upon the system of loans and taxation, but the people of the United States will tell us to stop, and we must obey. Will the people of the United States consent to keep up extensive military and naval establishments, of the very existence of which they are ignorant until they are made acquainted with them by burthenous taxes and a debt entailed on their posterity—and for what? To what earthly end? If you cannot keep your army alive in time of peace, I ask in the name of common sense what will you do with them in time of war? Is there a man who hears me who feels one atom of additional security to his person or property from the army of the United States? Has it ever been employed to protect the rights of person and property? Has it ever been employed but in violation of personal rights and property—in the violation of the writ of *habeas corpus* and as a new modern instrument of ejection? Sir, go through the country, and put to every freholder in the land this question—Are you willing to pay one third more of duty, and an hundred per cent. on that third, upon sugar coffee and so forth, for the sake of the establishment at New-Orleans? We may say what we please, sir, but that expedition which, until ours, surpassed in folly every other expedition ever undertaken—the famous expedition of a British army against Flushing, where they had an army as well as climate to contend against—that expedition, which even their own ministry dare not defend, but quarrel amongst each other who shall have the blame of it, was surpassed in disaster by the mortality of the American army. And yet, sir, for this shadow, this skeleton—it is indeed a skeleton of an army, the people of the United States are to submit to loans and taxation. With respect to the navy, I say nothing of that. Its exploits are already registered in our Journals. And the fact of the frigate Philadelphia having run ashore on the tail of the Horse shoe, is the only one in our naval annals for several years past.

With respect to war—we have thank God! in the Atlantic, a fosse wide and deep enough to keep off any immediate danger to our territory. The belligerents of Europe know as well as we feel, that war is out of the question. No, Sir—if our preparation was for battle, the state physicians have mistaken the state of the patient—we have been embargoed and non-intercoursed almost into a consumption, and this is not the time for battle. If indeed the state was about to undergo inoculation for the small pox, this reduction would have been according to the best medical authorities.

Mr. R. said he would therefore submit to the House, under these views, the best he had been able to take, two distinct propositions in a single resolution. In order that the House and the people of the United States might determine whether they would submit to encounter the European system of loans and taxes, or whether they would reduce establishments, which (to say the best of them that could be said) were mere incumbrances. It was he tho't, about nine years ago since he had the honour of making a similar motion in this House, which was the precursor of the abolition of the internal taxes. He hoped the motion he was now about to make would be the harbinger of protection against the system introduced into the House yesterday—that, at least, if it was not made the means of taking off taxation, it might prove an antidote against it. Mr. R. then moved "that the military and naval establishments ought to be reduced"—not that he was at all opposed to a reduction in any other article of expence. He believed that many other and important reductions might be made in the expences of the government. The spirit of reform, he said, had long slept in this House. He would go as far as any man in retrenching expences, but he confessed his object now was to take the bull by the horns. He considered these two objects to be the great drains and sinks of the public treasure. I do not (said he) profess a better acquaintance with the public sentiment than others, but I believe, if you were to propound the question to every man in the United States capable of judging, that not merely nineteen twentieths, but nine hundred and ninety-nine hundredths of them—always excepting those who draw emoluments from these establishments, and their immediate connexions, whether in this House or out of it—the good honest workman of the United States, who never saw these things, whose only proof of their existence is in the money they call for, would

in God's name let us have none of them. If we are to have war, we know that we, the people of the United States, and not the invalids from the hospitals on the Mississippi, must fight the battles.

The House agreed to consider the motion of Mr. Randolph; and the question being stated on its passage in the following words—  
"Resolved, That the military & naval establishments ought to be reduced."

Mr. EYBES presumed that the gentleman from Virginia would not ask of the House to decide this question at a moment's warning. I have, said he, no objection to refer the resolution to a committee of the whole House and to discuss it. If gentlemen on this floor who voted in 1807 for an increase of the army and naval establishments, can find in the present posture of the affairs of this country a sufficient ground to reduce these establishments, and at the present moment, when perhaps the first gale may bring news which will enable us to reduce them with honour—if it is the intention of gentlemen thus to stamp themselves with the charge of folly for originally increasing them, I cannot coincide with them; but if it was originally proper to raise this force, there are no circumstances which ought at present to induce Congress to reduce it. But at the same time, sir, I am far from saying that I do not believe that both the army and navy may be reduced before the end of the present session. It is true that the deficit in the revenue may be saved by a reduction of the army and navy; but that is no reason why it should be done when every other circumstance forbids it. There is a bill before the House for the increase of duties; it is reported in blank, and the ratio of addition will be fixed at the pleasure of the House. It is reported on the principle which is fair that those who incur a debt should pay it. The deficit of revenue should be supplied by those who incurred the expence which causes it. I voted for the army, and shall not be deterred from voting money for an object which I believed necessary and which I still believe was necessary at the time it was adopted. As to the present situation of the army of the United States, I am not acquainted with it, except from private letters. No man more than myself deplures the situation of that army; and from whatever cause it has proceeded, whoever is to blame, whoever is responsible for keeping the troops in a swamp, and sacrificing one half of them, I hope will be exposed to the public. It may be proper to observe that a bill passed this House yesterday for organizing a force more congenial to the feelings of freemen, which will perhaps much reduce the necessity of keeping a military force embodied.

Sir, I do not for my part know what course will be pursued by Congress at the present session. The gentleman from Virginia seems disposed to repeal the non-intercourse—and I consider it perfectly consistent in him to vote against it, because he did so when it was passed—it is perfectly consistent in him to say that it is inefficient, because he has said so before—and that it is perfectly consistent in him to reprobate every measure taken for four or five years past, because he did at the time reprobate them. Our situation as to commerce, sir, does not proceed from our acts, but from the injustice of the belligerents, who by their decrees and orders at a single blow reduced our exports from one hundred and eight millions to less than seven. During the year 1809 our revenue was about ten millions—during the year 1810 it will probably not be more than eight. I have as I have before said, no objection to meet the question; but the reduction of the army will not do away the necessity of additional revenue, because our exports are so much reduced that we cannot avoid this year increasing the duties, or perhaps for some years to come. One reason of the reduction of revenue is that our manufactures have increased so much as to exclude many foreign articles—nay, so far have those manufactures progressed, that samples of the manufactures have been sent to England to be imitated and sent to this country to rival our domestic manufactures. With this view of the decrease of our imports, an additional duty of 5 per cent. on goods paying duty *ad valorem*, would produce a million; and raising the specific duties 33 1-3 per cent. would produce two millions, making 3 millions, the supposed amount of the deficit.

Mr. RANDOLPH said he had no idea of provoking the discussion which had commenced. He was willing to submit his proposition to the same committee as had under consideration the gentleman's proposition for laying additional duties, and let gentlemen take their choice. The great difficulty which he felt in speaking in this Hall had caused Mr. R. to omit one remark, and that was—that if Congress did mean to lay additional duties, it would be necessary to keep them on not only this year, but many years. Mr. R. said he had not expected from the gentleman who is at the head of the committee of finance in this House, such an opinion on the subject of indirect taxation as was to be gathered from his observations. What would be the effect of laying additional duties for one or two years? The effect would be that the articles on which the duty was laid would not be imported because they would have to compete in the market with those articles already imported free of additional duty, and moreover would have to contend against the well grounded expectation that in a short time the duty would be taken off. So that instead of getting revenue you diminish it by laying additional duties, because the very articles which are to produce revenue will cease to be imported. There is no clearer question in finance or even to Arithmetic than this.

His colleague had said, that the revenue having diminished, heavier duties must be imposed on certain articles—why? Because, forsooth, the articles are imported under a disadvantage, owing to the increase of our domestic manufactures. If so, in order to get revenue higher duties were to be laid on imported articles not able to come at in our markets under only the present duties, this was altogether a new plan to him—it must be of the new school of finance—it was altogether incomprehensible. With respect to the principle that those who incur debts ought to pay them, Mr. R. said he agreed with his colleague—and, although he was not one of those who incurred the debt, he was one of those who were willing to pay it. They would unquestionably by this system of additional duties destroy what revenue was left from duties on imports and tonnage. He said he rather suspected his colleague had fallen into a small mistake, and that when he spoke of *ad valorem* duties on goods imported, he ought to have said on *articles dutied*—for, under

the present regime they did not amount to precisely the same thing—no Mr. R. said if we got back, which he did not think to be practicable, to the old system, we should find an increase of revenue, notwithstanding the rivalry of our own manufactures.

One word more, and I have done, at least for today. Among the objects which induced me to submit the motion now before the House, or at least one which in my mind ought to weigh in its favour, is this: that this planting our soldiers like so much rice in a swamp, which my colleague wishes to see brought to light, and in which wish I concur, has had one effect—it has given the *coup de grace* to the recruiting service, which never was a very flourishing branch of our home manufacture of a standing army. If it be true, as alleged, that dead men tell no tales, it must be also true that they can draw no rations. But I can demonstrate, however true in common sense, that it is not true in the Treasury, for there never has been an instance of \$1 refunded in the army or navy for persons not in place, although the estimate is always made on the supposition that the compliment of men is complete and full.

My colleague is mistaken, sir; I have not reprobated every measure for five years past. I had the honour of proposing some measures—that of arming the militia for instance, which was adopted, with what grace I will not say. I had the honour of proposing which were subsequently adopted when others taken up by other gentlemen. I might mention the contract bill, the alteration of the rules and articles of war—I might go further, but I am not disposed to trouble the house or exhaust myself.

#### IN SENATE.

Monday, March 26.—The bill for the establishment of a National Bank was read a second time and passed.

Mr. Pope reported a bill authorizing a subscription on the part of the United States to the stock of the Ohio Canal Company; which was twice read.

#### HOUSE OF REPRESENTATIVES

Monday, March 26.—Mr. Livermore offered the following resolution:

Resolved, That the President of the U. States be requested to cause to be laid before this House a copy of any letters or dispatches which may have been received in the Department of State, and do not require secrecy, from Mr. Pinckney, our minister at the Court of London, since his receipt of the letter of the 23d of November, 1809, from the Secretary of State, communicated to this House by the President on the 29th of said November.

The resolution, after some discussion, was passed—Yeas 100, Nays 14.

Those who voted in the negative were Messrs. W. Alston, Boyd, Burwell, Dawson, Holland, Johnson, Jones, M'Keo, Miller, N. R. Moore, Marrow, Nelson, J. Porter, Whitehill.—14.

The bill making an appropriation for the purpose of making an experiment on the practical use of the torpedo or submarine explosion was again taken up, opposed by Messrs. Dana, Quincy, Fisk and Tallmadge and supported by Messrs. Lyon, M'Kim and Holthand. The bill was passed by yeas and nays, 65 to 53.

On motion of Mr. Nelson, the bill for the relief of the infirm, disabled and superannuated officers and soldiers of the late revolutionary army and of the present army of the United States, was passed through a committee of the whole, reported to the House, and ordered to be engrossed for a third reading on Wednesday.

On motion of Mr. Mumford, a resolution was adopted requesting the President of the U. States to communicate such information touching the impressment of American seamen, as had been received since the communication made to the Senate in 1807.

The bill from the Senate to alter and amend the bill fixing the military peace establishment of the United States was twice read, and committed.

Tuesday, March 27.—Mr. Sawyer reported a bill to alter the times of holding the district courts in the district of North-Carolina.—Twice read.

Agreeably to the order of the day, the House took up the bill concerning commercial intercourse [Macon's Bill] with its several amendments and modifications.

Mr. Macon moved that the House adhere to their disagreement to the Senate's amendments (which would totally destroy the bill.)

The motion was supported by Messrs. Macon, Smith, M'Kee, M'Kim and Fisk, and opposed by Messrs. Troup, Lyon and Sheffey.

Mr. Fisk was speaking when an adjournment took place.

Wednesday March 28.—The following Message yesterday received from the President of the United States was read:

To the House of Representatives of the U. States.

In consequence of your resolution of the 26th instant, an enquiry has been made into the correspondence of our minister at the court of London with the Department of State, from which it appears that no official communication has been received from him since his receipt of the letter of November 23d last, from the Secretary of State.—A letter of January 4th, 1810, has been received from that minister, by Mr. Smith, but being stated to be private and unofficial, and involving moreover personal considerations of a delicate nature, a copy is considered as not within the purview of the call of the House.

JAMES MADISON.

March 27. 1810.  
Mr. Pitkin, from the committee to whom was committed the memorial of Wm. Lambert, made a report concluding with the following resolution:

Resolved, That it is expedient to make provision by law authorizing the President of the United States to cause the longitude of the City of Washington from the observatory at Greenwich, in England, to be ascertained with the greatest degree of accuracy, and also authorizing him, for that purpose to procure the necessary astronomical instruments.

The report was ordered to lie on the table.

Mr. Vandyke moved the following resolution: Resolved, That the committee on our naval establishment be instructed to enquire into the expediency of authorizing the President of the United States to sell such of the gun-boats belonging to the United States as he may judge unfit or unnecessary to be employed for the public service.

Mr. Macon moved to amend the motion so as also to include "frigates and other vessels of war." He thought that the more of them were sold the better.

Mr. Macon's amendment was agreed to, and the resolution as amended was agreed to without dissent.

WASHINGTON CITY, March 23.

On Wednesday last, Mr. EYBES, from the committee of Ways and Means, laid before the House the following document, which was ordered to be printed.

#### TREASURY DEPARTMENT.

Sir, I have the honor to submit the following observations in answer to the several objects of enquiry embraced by your letter of the 26th ultimo. The amount of the extraordinary expences which are authorized by congress being yet unascertained, it is not even at this time practicable to state with precision the sum which may be wanted on loan for the service of this year. And in relation to coming years, it would be premature to lay down any general rules respecting the most eligible mode of borrowing sums of money commensurate with the exigencies of the U. States in case of war. It is therefore thought sufficient for the present to point out some of the most obvious means of effecting loans generally; leaving it a subject of subsequent consideration to decide according to existing circumstances on the most eligible mode, and on the arrangement of details.

The enquiries of the committee of ways and means apply to the three following points: 1st. What is the most eligible mode of obtaining money on loan, keeping in view both the facility of borrowing sums commensurate with the exigencies of the U. S. and the ultimate extinguishment of the debt contracted? 2dly. To what extent can an increase of duties on importation be carried with safety? Can any other resources besides taxes and loans be relied on for immediate revenue?

#### LOANS.

1st. The commissioners of the sinking fund will out of the annual appropriation of eight millions of dollars for the payment of the debt, reimburse in 1810, the residue of the exchanged six per cent stock, amounting to 5,750,000 dollars, and in 1811, the whole of the converted six per cent stock amounting to 1,360,000 dollars. It is probable that the owners of those two species of stock would consent to re-loan the amount, provided it was irredeemable for a few years.

2dly. It has already been stated in the annual report of November 30th 1807, referred to in that of this year, that the several banks of the U. States might find it convenient, as the diminished confidence of the country might require less capital to loan to government, a considerable portion of their capital stock, then computed at about forty millions of dollars. Such temporary loans can be obtained only to a limited amount; but they are convenient on two respects; 1st. They do not diminish the facility of obtaining other loans from individuals, inasmuch as they do not increase the amount of stock at market: 2dly. Being redeemable at will, and in sums which may suit the convenience of government, interest is paid only as long as the money is wanted; and the extinguishment of the debt contracted is rendered more easy and certain.

3d. Loans may be obtained from individuals on an extent commensurate with the national capital and limited by the existing demand for that capital for private purposes. The terms must vary according to circumstances, always giving the preference to the most simple form that can effect the object. A portion of the public lands may perhaps, if necessary either as a premium or by giving an option to subscribers, be advantageously applied in facilitating loans or improving their terms.

4th. Treasury notes bearing interest and payable to order one year after date, may be annually issued to a moderate amount, and be put in circulation both through the medium of banks, and in payment of supplies. Provision would be absorbed during the year by the payment of public lands and revenue bonds, and the redemption of the residue be provided for by the loan of the ensuing year. This annual anticipation of the revenue, though liable to abuse, may, if kept within strict bounds, facilitate both the collection of the revenue and the loan themselves.

In relation to the extinguishment of the debt contracted, those who borrow can do nothing more than to provide and pledge funds sufficient for that object, and to give such a form to the debt as may impede its redemption. To render it irredeemable for no longer time than is necessary in order to obtain the money; to make it reimbursable by instalments at fixed periods; never to create, for the sake of diminishing the annual interest, a greater nominal amount of stock than the sum actually borrowed, and above all never to incur expences which are not actually necessary for the defence or welfare of the country, are principles essential for a nation which does not contemplate a system of perpetual and increasing debt. But for its actual reimbursement, it must principally depend on the return of prosperous circumstances, on the growing resources of the country, and on the wisdom of our successors. The artificial provisions of a sinking fund may always be rendered inefficient by the necessities or extravagance of government. The real amount of a national debt cannot be diminished unless the aggregate of revenue including the funds assigned to the sinking fund, and exclusively of new loans, exceeds the aggregate of expences, other than those for the payment of the principal of the debt. Favorable circumstances, and a rigid economy in the current expences, have enabled the U. S. to reimburse during the last 8 years, one half of the debt created by the revolutionary war; and during some of the ensuing years. Similar circumstances, and an adherence to the same principles will be requisite to secure the actual reimbursement of the debt which it may now be necessary to contract. But that government will possess resources amply sufficient for the object, cannot be doubted. The proceeds of the public lands would alone, slowly perhaps, but certainly, extinguish a much greater debt than the U. States have it now in their power to create. And it is sufficiently ascertained that the national wealth of the U. States, and therefore the means of raising revenue increase in ratio still more rapid than their population, a population which almost doubles every twenty years.

Those considerations, connected with others stated at large in the annual reports of November 1807 and December 1808, have produced a conviction that loans might without danger be resorted to as the principal resource for supporting a war. Permit me at the same time to observe, that the suggestion has been confined to that object alone, and that