guiſh the claim becauſe ſome of the ſtates do not acknowledge the debt? The idea is inadmiſſible.

We are urged, ſir, to adopt this reſolution, becauſe it is ſaid, that Delaware can never pay her debt. Even if that be correct, it is no argument for expunging theſe balances. By adopting the reſolution, we extinguiſh our claim, not only againſt that ſtate, but againſt all the others. The concluſion will then be irreſiſtible, that we queſtion the accuracy, and the fairneſs of the ſettlement, and the final conſequence will probably be the extinguiſhment of the credits alſo.

This ſettlement cannot be diſturbed upon any ground conſiſtent with policy or good faith. It is the reſult of a reference voluntarily made by all parties concerned, and they are concluſively bound by the award.

Mr. THOMAS remarked, that as this ſubject had been ſo often before the public, ſo much had been ſaid on it on former occaſions, and he conſidered it ſo well underſtood, that he had determined not to have riſen or ſaid any thing on it at this time, nor would he, had he not deemed it neceſſary to reply to the gentleman from Maſſachuſetts, (Mr. Thatcher.) That gentleman, has endeavored to impreſs the committee with an opinion, that by extinguiſhing thoſe balances, we ſhall affect the credits of the creditor ſtates, this ſaid Mr. T. will not be the caſe, thoſe ſtates have received the whole of the balances reported in their favor, and extinguiſhing the balances reported againſt thoſe called debtor, cannot poſſibly affect the credits of the creditor ſtates; beſides, if the credits of thoſe ſtates could have been affected by a meaſure of this kind, why did not the act of congreſs paſſed in 1799 affect them? by the operations of that act, about one half of the amount of thoſe balances were extinguiſhed had the ſtates complied with the terms of it; and he would aſk the gentleman from Maſſachuſetts, or any other gentleman on that floor, whether theſe credits as they are called, were impaired by that act? he preſumed no one would ſay that they were, nor can the meaſure contemplated by this reſolution impair them in the leaſt.

Mr. Chairman, ſaid Mr. Thomas, what poſſible good can reſult from a continuation of thoſe claims? all agree that a payment of them cannot be coerced; and it cannot be expected that thoſe ſtates, believing the claims unjuſt, will pay thoſe balances voluntarily, therefore, will your treaſury ever be a cent the richer by holding theſe claims over the heads of thoſe ſtates? will it bring a cent into your treaſury? but on the contrary; may not much evil reſult to the intereſts of this country, by keeping up this bone of contention? will it not have a powerful tendency to irritate the minds; and diſturb that cordial harmony, ſo neceſſary to be preſerved among the members of this union? I truſt the members of this committee generally, will ſee the folly of continuing the ſhadow of a claim over the heads of thoſe ſtates any longer, which can never be of any benefit, but which may be productive of much miſchief; and will unite in expunging them from your records.

Mr. BLACKLEDGE.—Mr. Chairman, I had determined not to trouble the committee with any remarks upon the ſubject now under diſcuſſion, from a conviction that enough had already been ſaid by the gentleman from Delaware, to ſatisfy every liberal mind of the propriety of adopting the reſolution. But, Sir, when I hear the gentleman from Maſſachuſetts (Mr. Thatcher) applying epithets to thoſe ſtates that are reported debtors, calculated to ſtamp them with the character of profligate diſhoneſty, while others in an indirect way appear to be aiming at the ſame end, I feel it a duty I owe the ſtate which I have the honor to repreſent in part, to aſſign the reaſons, why ſhe has heretofore refuſed, and I am convinced will ever continue to refuſe paying the balance reported againſt her. Every gentleman who has as yet ſpoken againſt the reſolution, has endeavored to impreſs upon the committee a belief that the ſettlement made by the commiſſioners was either juſt, or at leaſt as nearly ſo as was poſſible. But, Sir, on this ſubject I muſt beg leave to differ in opinion with them; and if I can be favored with the attention of the committee, I truſt I ſhall be able to ſhew clearly that by the operation of ſome of the principles by which the commiſſioners were governed in this ſettlement, the ſtate of North Carolina was in the firſt place charged with a much larger proportion of the national debt than ſhe ought to have been, and in the next place, that her charges againſt the union, or at leaſt a large portion of them, were improperly valued at a much lower rate than they ſhould have been, and from hence it has happened that ſhe was reported a debtor inſtead of being made a creditor to a very conſiderable amount.

The firſt injury ſuſtained by the ſtate of North-Carolina in this ſettlement, which I ſhall notice, is the one which aroſe from changing the ratio by which the ſeveral ſtates were bound to each other to bear all the expenſes of the war. That the committee may the more clearly comprehend the force of her exception againſt this meaſure, I muſt beg them to bear in mind that every item in the accounts which were ſettled by the commiſſioners, were for advances which had been made by the ſeveral ſtates towards defraying the expenſes of the war, previous to the 24th day of September, 1788; while the ſtates were bound by the articles of confederation, and each was ſuffering all the diſadvantages, and enjoying all the advantages ariſing from that inſtrument; and that the ordinance by which the board of commiſſioners was eſtabliſhed for ſettling theſe accounts, was paſſed by the old Congreſs on the 7th of May, 1787. They will thus ſee that the whole of the charges originated, and that the board of commiſſioners was eſtabliſhed for ſettling them, previous to the adoption of the preſent conſtitution; and from hence I think they will be induced to conclude with me, that Congreſs had not a right to vary the ratio as they did by their act of the 5th of Auguſt, 1790, without firſt obtaining the conſent of the ſeveral ſtates to the meaſure in the manner pointed out by the articles of confederation. By the 8th article of the confederation the ſtates ſtipulate to bear all expenſes of war, each in proportion to all its appropriated lands and improvements, but reſerve to their reſpective legiſlatures the power of laying and levying the taxes neceſſary to pay off their quotas, and by the 13th article of that inſtrument, they provide that no alteration ſhall at any time be made in the articles of confederation, or any of them, unleſs ſuch alteration be agreed to in a Congreſs of the United States, and be afterwards confirmed by the legiſlatures of every ſtate. Yet, Sir, after the commiſſioners had been appointed, and had actually been nearly, or quite two years engaged in the ſettlement, when it may be preſumed that the amount of the charges of each ſtate was pretty nearly known, as well as the effect, which, a ſettlement of them according to the principles of the articles of confederation would have, Congreſs proceeded by their act of the 5th of Auguſt, 1790, to direct the commiſſioners, in apportioning the debt of the union among the ſtates, to do it according to the number of polls which each ſhould contain, as preſcribed by the conſtitution. Thus, Sir, was the ſtate of North Carolina, as well as ſome others, whoſe lands were of but little value, compared with thoſe of the commercial and wealthy ſtates, deprived of every advantage which had been ſecured to them by the articles of confederation, without having any equivalent for the injuries they had been ſubjected to under that inſtrument; and this too when no one ever pretended that by the conſtitution Congreſs poſſeſſed a power to alter the ratio. It is not poſſible to aſcertain exactly the amount of the loſs which any ſtate ſuſtained by this meaſure, becauſe the groſs amount of the accounts has "from motives of policy" been ever kept concealed. But by turning to the 7th vol. of the old journals, in the year 1782, near the cloſe of the war, we ſhall ſee what ſum each ſtate was required to raiſe of 2,000,000 dollars apportioned among them under the confederation, and comparing that with the ſums which each had to pay of the 2,000,000 dollars laid and collected, according to the ratio preſcribed by the conſtitution, we may form a pretty correct opinion of the effect which the meaſure had upon the different ſtates. And it appears that of the 2,000,000 dollars raiſed in 1782, under the confederation, North Carolina (at that time including all the ſtate of Tenneſſee) had to pay 148,000 dollars, and Virginia (at that time including all the ſtate of Kentucky) had to raiſe 290,000 dollars. Whereas of the direct tax of 2,000,000 dollars apportioned among the ſtates, according to the principles of the conſtitution, North Carolina and Tenneſſee had to pay 212,504 dollars, Virginia and Kentucky 387,132 dollars. From whence it reſults that North Carolina in every two millions of the aggregate of all the charges of the ſeveral ſtates againſt the union, loſt by the change of ratio the ſum of 67,401 dollars, and Virginia 97,132 dollars. Then ſuppoſing the aggregate of the charges to have been but 24,000,000 dollars, and judging by the ſum reported againſt the ſtate of Delaware, and admitting ſhe never paid one cent, it muſt have been very nearly double that ſum, North Carolina muſt have loſt by the change of ratio, the ſum of 774,048 dollars, and Virginia 1,165,584 dollars. It would be an eaſy matter to ſhew the effect which this meaſure had upon every ſtate in the union; but it would be foreign to my purpoſe, and I ſhall therefore decline it, with barely obſerving, that it is evident a conſiderable majority of the ſtates were gainers by the meaſure.

In addition to the injury ſuſtained by the ſtate of North Carolina from the change of ratio, I muſt beg leave to mention another, which, I have underſtood from the commiſſioners who attended to the ſettlement of her accounts with the union, ſhe ſuffered from having her vouchers for currency certificates firſt reduced to their ſpecie value, and then theſe as well as her ſpecie certificates ſcaled at four ſhillings in the pound. By what authority, or upon what principle of equity or juſtice the commiſſioners felt themſelves juſtified in doing this, I am at a loſs to determine. The only reaſon aſſigned for it, as I have underſtood, was, that this was the rate at which the legiſlature of the ſtate had valued them. Now, Sir, I admit that this was the ſum at which the legiſlature had rated her certificates; but it by no means follows as a conſequence that the commiſſioners in the ſettlement of her accounts with the union, did juſtice to her in giving her credit for them at the ſame rate. For, Sir, it will be recollected that under the articles of confederation each ſtate raiſed from its citizens in the way moſt ſuitable to themſelves, the different ſums of money or ſupplies which Congreſs might require of them. It is alſo well known, that the great ſcarcity of ſpecie, rendered it neceſſary to reſort to ſome expedient to ſupply the place of it, and that the firſt attempt was by iſſuing a paper currency which depreciated rapidly, and in a ſhort time fell upon the hands of thoſe who held it. The next ſtep was to iſſue certificates to thoſe who either performed ſervices, or furniſhed ſupplies in ſupport of the common cauſe, purporting that the bearer was entitled to the amount thereof, either in currency or ſpecie, from the ſtate on whoſe account the ſervice was performed, or the ſupplies furniſhed. The paper currency which had been iſſued, having borne at the ſame periods in different ſtates very different rates of depreciation, it was neceſſary in order to do juſtice, that the commiſſioners ſhould be veſted with power to ſcale the currency certificates in the different ſtates according to the value which the currency had borne in them reſpectively, and this power by the ordinance of May 1787, was given them. Such, however, was the ſcarcity of caſh in that ſtate, that by far the greater part of the ſoldiers as well as others who had received even her ſpecie certificates for ſervices performed, or ſupplies furniſhed, had ſome from neceſſity and others from a want of confidence in the government, parted with them to ſpeculators at about two ſhillings and ſix pence in the pound. This being a fact notorious to all, the legiſlature of the ſtate determined to do full juſtice to the ſpeculator who had purchaſed the certificates at one eighth of their value, without oppreſſing the ſoldiers and others who had paid full price for them; and in order to effect their object, they paſſed certain acts by which they depreciated even their ſpecie certificates to four ſhillings in the pound. And by way of recompence to the ſoldiers for the loſs they had ſuſtained from the depreciation of their certificates, they made them very liberal donations of the unappropriated lands of the ſtate, giving to the common war ſoldier 640 acres. And here, Sir, I will beg leave to remark, that theſe were not what are commonly called crown lands, but lands which had been granted by the crown before the revolution. I make this remark, becauſe I know it is the opinion of ſome of the committee, that all the ſtates had a right to any lands, which previous to the revolution belonged to the crown, while all admit that lands which had been previouſly granted by the crown belonged properly to the ſtate within whoſe limits it lay. Now, Sir, if the commiſſioners in ſettling the accounts of this ſtate with the union, did not think ſhe ought to be credited at a higher price for her certificates than ſhe, for the reaſons juſt mentioned, had thought proper to ſet upon them, they ſhould at leaſt have given her credit for the lands which ſhe had given her ſoldiers as a recompence for the depreciation of their certificates. It will not, I preſume, be pretended that they were ignorant of any advance having been made in lands to her ſoldiers, becauſe in ſearching for the laws by which ſhe had rated her certificates, they could not fail ſeeing the one by which ſhe had granted the lands to her ſoldiers. The operation of this principle of the commiſſioners muſt have been very partial, as few of the ſtates had adopted ſimilar meaſures for paying off their certificates; and that its operation muſt have been unjuſt, will be obvious to the weakeſt mind when it is recollected, that the union had received from the citizens of North Carolina full value in the ſervices and ſupplies for which theſe articles had been iſſued by the ſtate. If the citizens of any ſtate thought proper by their repreſentatives in their legiſlature, to conſent to give up to the ſtate ſixteen ſhillings in every pound of the debt, which the ſtate in complying with the requiſitions of Congreſs had contracted with them, and which the ſtate alone under the articles of confederation ſtood reſponſible to them for; could this juſtify the commiſſioners in adopting a rule by which they were to be compelled to pay to the other ſtates the ſums they had conſented to give up to their own? Certainly not. And yet, Sir, no man will ſay that this is not the obvious effect of this principle adopted by the commiſſioners in the ſettlement of theſe accounts. The exact amount of the injury ſuſtained by the ſtate of North Carolina, by this rule of the commiſſioners, it is impoſſible to aſcertain; but when we recollect the enormous quantity of certificates which from the ſcarcity of ſpecie were obliged to be iſſued for the pay of the army, and purchaſe of ſupplies, we may fairly conclude that the loſs to her from this meaſure, fell very little ſhort of that which ſhe ſuffered from the change of ratio.

Theſe, Sir, were the two principal injuries ſuſtained by the ſtate of North Carolina in the ſettlement of her accounts with the union, and are the whole that I ſhould have troubled the committee with, had not the gentleman from Rhode Iſland, (Mr. Stanton) with a view I preſume, of ſhewing that the ſettlement was as fair for one ſtate as another, in as-much as all ſuffered by it more or leſs, told us that his ſtate had loſt a very conſiderable ſum by the operation of that part of the act of Congreſs of the 5th of Auguſt 1790, which prohibits the commiſſioners allowing any claim, which had not been allowed by the ſtate producing it previous to the 24th of September 1788. By the operation of the ſame part of that law the ſtate of North Carolina alſo loſt nearly 100,000 dollars, which ſhe has felt herſelf bound to pay principally to the heirs of thoſe who had either fallen in the ſervice or died ſoon after the cloſe of the war, and had not come of age to claim their rights as early as the year 1788. The truth of this can be vouched by by one of the preſent ſenators from that ſtate, as he was one of the board of auditors appointed by the legiſlature to ſettle with the claimants about the year 1791 or 1792.

I have now, ſir, gone through the principal objections taken by the ſtate which I have the honor to repreſent in part, to the ſettlement of her accounts with the union, and I think it muſt be obvious to every candid perſon who has heard me, that if ſhe had been ſettled with agreeably to the principles of equity by which the commiſſioners under the ordinance of 1787 were directed to be governed, ſhe muſt in the reſult have proved to be a creditor to a much larger amount than ſhe has been reported to be in debt. By the change of ratio, admitting the aggregate of all the charges of the ſeveral ſtates to have been but 24,000,000 dollars, ſhe loſt better than 770,000 dollars; by the very unjuſt rule adopted by the commiſſioners in ſcaling her certificates ſhe muſt have loſt nearly as much, if not more; and by claims which were barred under the act of Congreſs of the 5th of Auguſt 1790, ſhe loſt about 100,000 dollars, making in the whole better than a million and a half of dollars; the ſum reported againſt her is but little better than half a million, from whence it reſults that inſtead of being reported a debtor ſhe ſhould have been reported a creditor for about one million of dollars. I feel myſelf bound to make this ſtatement, after what has fallen from gentlemen, in the courſe of the debate, who have oppoſed the reſolution upon the principle that they believe the ſettlement to have been juſt, or at leaſt that it was made upon principles which operated nearly alike upon all the ſtates. This, Sir, it is evident was not the fact, for by the change of ratio a majority of the ſtates were gainers to a very large amount, while the others were as largely loſers; and the rule by which the ſpecie certificates of North-Carolina were ſcaled could not have applied generally, becauſe there were but few of the ſtates that had adopted the ſame method for extinguiſhing this part of their debt. But, Sir, we have been aſked by a gentleman from Maſſachuſetts (Mr. Haſtings) if there were ſuch enormous injuries done to the ſtates reported debtors by the ſettlement, why was it not objected to, and the error pointed out at firſt, when they might have been examined into and corrected with eaſe? Why has it been let alone till this late period, when there is not the moſt diſtant hope that, were the accounts opened anew, a ſettlement could be effected, that would prove even as ſatisfactory as the one already made, and againſt which we ſo loudly complain? I am convinced that the gentleman has not examined this ſubject with his uſual accuracy, or he would never have aſked ſuch queſtions. The fact is, that the ſettlement has been complained of by the Repreſentatives from the ſtate of North-Carolina as well as ſeveral other ſtates ever ſince the report was made; and at the very ſeſſion when it was firſt publiſhed an attempt was made to bring to light the principles upon which the commiſſioners had ſettled the accounts, with a view no doubt that the errors which had ariſen from them might be corrected, and juſtice done to thoſe ſtates which had been injured by them. To prove this fact, I muſt beg leave to read a reſolution which will be found in the journals of the firſt ſeſſion of the third Congreſs, page 247, in the following words:

"*Reſolved*, That a committee be appointed to examine into, and report on, the practicability of obtaining a ſtatement of the principles on which the accounts of the individual ſtates with the United States have been ſettled, and a ſtatement of the ſeveral credits allowed in the ſaid ſettlement."

This reſolution, Sir, it appears was loſt on taking the queſtion by yeas and nays, and among thoſe who voted in favor of it, will be found the whole of the Repreſentatives from North Carolina, as well as many members from other ſtates. In the journals of the ſame ſeſſion it will be found that when the bill was on its paſſage providing for the payment to the creditor ſtates of the balances reported in their favor, an attempt was made to extinguiſh the balances reported to be due from the debtor ſtates, by adding a ſection to the bill in the following words: "and be it further enacted that the balances reported by the ſaid commiſſioners, and carried to the debit of certain ſtates be, and the ſame are hereby relinquiſhed." This ſection was rejected, but the yeas and nays not having been taken on the queſtion, we are not able to ſay to a certainty, who voted for it or againſt it. There can, however, be but little doubt as to who were the advocates or oppoſers of this ſection when we attend to its object, and ſee who voted for and againſt the reſolution juſt read. The committee I hope are now ſatisfied that the report of the commiſſioners has never been even tacitly acknowledged to be juſt, by the ſtate of N. Carolina as well as ſeveral other ſtates; they have ſeen that at the very ſeſſion of Congreſs to which the report was firſt communicated, an attempt was made to bring to light the principles upon which the ſettlement had been made, in order that its errors might be expoſed and juſtice done; and this attempt they have ſeen failed of ſucceſs. The reaſons why it failed I leave the committee to conjecture for themſelves. It alſo appears that at the ſame ſeſſion an attempt was made to extinguiſh the balances reported againſt the debtor ſtates, and the journals will ſhew that repeated attempts have ſince been made for the ſame purpoſe, but that theſe attempts have uniformly failed of ſucceſs. The reaſons which may have induced Congreſs formerly to reject the meaſure I know not. But I doubt not in the leaſt, that the ingenuity and induſtry of the gentlemen who have on this occaſion with ſo much zeal oppoſed the reſolution, have enabled them to aſſign every reaſon againſt the meaſure which the nature of the caſe would poſſibly admit. In the firſt place all agree that the general government does not poſſeſs the power of enforcing the payment of the balances againſt the conſent of the ſtates. But the gentleman from Maryland thinks that by continuing to refuſe to extinguiſh the balances, the ſtates may at length be induced to accept of offers to lay out either the whole or a part of the ſums they owe, either in turnpikes, fortifications or ſome other work of public utility within their own limits, as has been done by the ſtate of New-York formerly. What the ſtate of New-York or any other ſtate may be induced to do, I cannot pretend to ſay, but I think I can venture to predict, that the gentleman will to a certainty be diſappointed in any expectations of this nature which he may have calculated on from the ſtate of North-Carolina, and that for the reaſons I have already mentioned. And really the gentleman muſt be much more ſanguine in his expectation than I am if he entertains any ſerious hopes of ever getting any thing more voluntarily from the ſtate of New-York. Another plan has been hinted at by a gentleman from New-Jerſey, (Mr. Elmer) by which the balances might be collected, which is by funding and apportioning them among the different ſtates, but the gentleman had not the goodneſs to tell us how large a ſum we ſhould have to fund, or how it would have to be apportioned among the ſeveral ſtates to carry his plan into effect. I wiſh he had done it, becauſe I am convinced if he had, it would have furniſhed one of the ſtrongeſt arguments in favor of the reſolution that could poſſibly have been adduced. My reaſon for thinking ſo is, becauſe I do believe this is the only way in which the balances ever will be collected; and ſhould the reins of this government ever fall into the hands of men, who believe as ſome great men do, that a national debt is a national benefit, this will become a pretext for making a very large addition to the national debt, a thing which I conceive a very conſiderable majority of this committee would not only diſcountenance, but would uſe their utmoſt exertions to prevent, and would of courſe advocate the reſolution for extinguiſhing the balances altogether, rather than leave a pretext to thoſe who may ſucceed them, for adding ſo largely to our national burthens. Theſe are the only plans which have been ſuggeſted for collecting the balances; there are few I believe of the committee who have any hope of ever getting them upon the one ſuggeſted by the gentleman from Maryland, and a ſtill ſmaller number who would ever wiſh to ſee them collected upon the plan ſuggeſted by the gentleman from New-Jerſey. What injury then can poſſibly ariſe from the adoption of the reſolution? I confeſs I can ſee none. It is true, ſome gentlemen have ſaid that it would excite in the ſtates reported creditors a fear that attempts would be made to wipe off the balances which have been funded for them. The weakneſs and fallacy of this argument has been ſo ably ſhewn by a gentleman from Pennſylvania (Mr. Smilie) that I will not take up the time of the committee in attempting to refute it; but