May: And here, as it occurs to me, may I mention, the spurious blockade of Curracoa, under which numerous captures were made. And lastly, to complete the catalogue of disasters for 1806, and to close the woeful climax, the French decree of Berlin came forth in November, and as if sporting with the interests and feelings of Americans proclaimed G. Britain and her progeny of isles to be in a state of blockade.

Hopes had been entertained that such a violent and convulsed condition of society, would not be of long duration. Experience, however, soon proved that the infuriate rage of man was as yet unsatified, and had much greater lengths to go. For, early in the succeeding year (1807) an order of the British council was issued, by which the trade of neutrals, and of course of American citizens, was interdicted from the port of one belligerent to the port of another. And in the ensuing May, the rivers Elbe, Weser, and Ems, with the interjacent coasts, were declared by them to be in a state of blockade, and a similar declaration was made on their part to neutrals in regard to the straits of the Dardanelles, and the city of Smyrna. But these were but subordinate incidents in this commercial drama: the catastrophe of the tragedy was soon to be developed. "On the 22d of June, by a formal order from a British admiral, our frigate Chesapeake, leaving her port for a distant service, was attacked by one of those vessels which had been lying in our harbors under the indulgence of hospitality, was disabled from proceeding, had several of her crew killed, and four taken away." Immediately the President by proclamation interdicted our harbors and waters to all British armed vessels, forbade intercourse with them. Under an uncertainty how far hostilities were intended, and the town of Norfolk being threatened with an immediate attack, a sufficient force was ordered for the protection of that place and such other preparations commenced and pursued as the prospect rendered proper.

In furtherance of these schemes, a proclamation was published, holding all their absent seamen to their allegiance, recalling them from foreign service, and denouncing heavy penalties for disobedience. The operation of this upon the American merchant service would have been very sensibly felt. Many British born subjects were in the employ of our merchants, and that very government which claimed as a British subject every American citizen who had been but two years a seaman in their service, refused to be bound by their own rule in relation to British subjects who had served an equal term on board the ships of the U. S. But this was not all. The month of November was distinguished by an order retaliating on France a decree passed by her sometime before, declaring the sale of ships by belligerents to be illegal, and thus by virtue of concurrent acts of these implacable enemies, the poor neutral found it impossible to purchase a ship either from a subject of G. Britain or of France. That season of gloom was famous, or rather infamous, for another act, prohibiting wholly the commerce of neutrals with the enemies of G. Britain, and for yet another, pregnant with the principles of lordly domination on their part, and of colonial vassalage on ours, by which the citizens of these independent and sovereign states are compelled to pay duties on their cargoes in British ports, and receive licences under the authority of that government, as a condition of being permitted to trade to any part of Europe in possession of her enemies. This outrageous edict on the part of Britain was succeeded by another on the side of France, equalling, or if possible, surpassing it in injustice. In December came forth the decree of Milan, enforcing the decree of Berlin against American trade; dooming to confiscation every vessel of the U. S. that had been boarded or even spoken to by a Briton, and encouraging by the most unjustifiable lures, passengers and sailors to turn informers. The abominable mandate was quickly echoed in Spain, and sanctioned by the approbation of his most Catholic majesty. It has been executed with shocking atrocity. In addition to other calamities, the property of neutrals has been sequestered in France, and their ships burned by her cruizers on the ocean

Such, Mr. President, was the situation of the European world, when Congress deemed it necessary to declare an embargo on our own vessels. Denmark and Prussia, and Russia, and Portugal, had become associated or allied with France; and with the exception of Sweden, the commerce of our citizens was prohibited, by the mutually vindictive and retaliating belligerents, from the White Sea to the Adriatic. American ships and cargoes were declared the prize and plunder of the contending powers. The widely extended commerce of our people was to be crushed to atoms between the two mighty millstones, or prudently withdrawn from its dangerous exposure, and detained in safety at home. Policy and prudence dictated the latter measure. And as the ocean was become the scene of political storm and tempest, more dreadful than had ever agitated the physical elements, our citizens were admonished to partake of that security for their persons and property, in the peaceful havens of their country, which they sought in vain on the high seas, and in European harbors. The regulations so destructive to our commerce, were not enacted by us. They were imposed upon it by foreign tyrants. Congress had no volition, no vote upon the question. In the shipwreck of our trade, all that remained for us to do, was to save as much as we could from perishing, and as far as our efforts would go, to prevent a total loss.

I touch, with a delicate hand, the mission of Mr. Rose. The arrival of this envoy extraordinary from Britain, was nearly of the same date with an order of his government, blockading Carthagena, Cadiz and St. Lucar, and the intermediate ports of Spain, and thereby vexing the commerce of American citizens. The unsuccessful termination of his negociation has been but a few months since followed by a refusal on the part of his government to rescind its orders, that works so much oppression to our commerce, on condition of having the embargo suspended in respect to theirs. And the French ministry has treated a similar friendly and pacific overture, from our executive, with total disregard. In addition to all which, we learn from the highest source of intelligence, that the British naval commander at B-badoes, did about the middle of October, declare the French leeward Caribbeean islands to be in a state of strict blockade, and cautioning neutrals to govern themselves accordingly, under pain of capture and condemnation.

If it should appear to you, sir, that I have dwelt with too much minuteness on the series of events, that have progressed step by step to the present crisis, the only apology I have to offer is, that I consider it necessary for the purpose of ascertaining WHAT THE SITUATION OF THE NATION TRULY IS. Unequal indeed is the contest between the weak and the strong. Where force is substituted for principle, it is vain and useless to talk of rights. Two foreign nations are contending with gigantic efforts for superiority. They have laboured with but too much success, to make the bye-standers take sides in the contest. Our government has hitherto magnanimously maintained its neutrality. Yielding to the solicitations of neither, it was desirous of doing impartial justice to the two. But this fair and equal demeanor would not satisfy them. The tempter not unfrequently practices upon innocence the arts of circumvention; and exalted virtue gives to its possessor no indemnity against malice. The uprightness of our public conduct was pleasing neither to Albion nor to Gaul. And as we had refused to become the ally of either, we have to a certain degree suffered the hostility of both. That ancient and venerable code prescribing law to civilized communities, is abrogated. New and capricious inventions, calculated to suit the clamor of a party, or the spite of a foe, are substituted in their stead. The freedom of the ocean is taken away. That high way of nations is infested with free booters and pirates. And the more powerful legislates for the rest, in all cases whatever. Towards ourselves the old colonial principle is revived. Americans may navigate the seas indeed, *but on condition of paying duties to Britain, or taking from her licences to trade, and observing such further directions as it shall please her to prescribe.*

Are the American people prepared to submit to this? Having examined in my cursory manner the modern and I may say the present state of our affairs, I shall next take a hasty retrospect of this American people, while yet related to Britain as colonists, and before the idea of a separation had entered into the boldest head. The parliament and council maintained the right to tax and bind the colonies.—The people of the plantations and colonies, since risen to the dignity of states, denied the pernicious doctrine. The mother country prepared to enforce it; and the colonies meditated resistance.

(Speech to be continued.)

The subscriber offers for sale the following articles, viz:

12 Puncheons 4th proof spirit
8 Hhds. good retailing molasses
6 Boxes Muscovado sugars
4 Pipes L. P. Madeira wine
1 Half pipe old Brazil do.
4 Half do. do. Teneriffe do.
Several quarter casks L. P. Madeira and Teneriffe do.
2 Boxes real Spanish segars
80 Bushels St. Ubes salt
4 Half boxes London Crown Glass
Some few barrels old peach brandy
50 Bbls. beef, New-York inspection
50 Boxes Spermaceti candles
150 Pair coarse shoes

Any part, or the whole of the above, will be sold to retailers on liberal terms—Any person disposed to purchase the whole stock may also have the preference of the store at a moderate rent—the stand is equal to any in the neighborhood.

NATHANIEL COCKE.
December 19—3t.

REPORT.

In obedience to the directions of the Act supplementary to the Act, intituled, "An act to establish the Treasury Department," the Secretary of the Treasury respectfully submits the following

REPORT AND ESTIMATES—

The nett revenue arising from duties on merchandise and tonnage which accrued during the year 1806, amounted to		$16,615,430
And that which accrued during the year 1807, amounted, as will appear by the statement (A) to		16,059,924
The same revenue, after deducting that portion which arose from the duty on salt, and from the additional duties constituting the Mediterranean fund, amounted during the year 1806, to		14,848,784
And during the year 1807, to		14,375,855

But it is ascertained that the nett revenue which accrued during the three first quarters of the year 1808, did not exceed eight millions of dollars, and is daily decreasing.

The statement (B.) exhibits in detail the several species of merchandize and other sources, from which that revenue was collected during the year 1807.

It appears by the statement (C.) that the sales of the public lands have during the year ending the 30th September, 1808, amounted to about 200,000 acres; and the payments by purchasers to near 550,000 dollars. The proceeds of sales in the Mississippi Territory, being, after deducting the surveying and other incidental expences, appropriated in the first place, to the payment of a sum of 1,250,000 dollars to the state of Georgia, are distinctly stated.

It appears by the statement (D.) that the payments on account of the principal of the public debt, have, during the same period, amounted to only 2,335,000 dollars. But the payments from the Treasury, for the annual reimbursement of the six per cent. and deferred stocks, and for the final reimbursement of the 8 per cent stock, will (exclusively of a sum of 730,000 dollars already in the hands of the Treasurer, as agent for the Commissioners of the Sinking Fund) amount during the last quarter of this year to 5,376,000 dollars: Making the total of public debt reimbursed from the 1st of April, 1801, to the first January, 1809, about thirty three millions six hundred thousand dollars, exclusively of more than six millions paid during the same period, in conformity with the provisions of the treaty and convention with Great Britain, and of the Louisiana Convention.

The public debt will, on the 1st day of January 1809, amount to 56,647,663 dollars, consisting of the following items:

Old six per cent. stock nominal amount 20,706,603.22 —unredeemed	$11,919,877 57
Deferred stock nominal amount 11,717,476.02 —unredeemed	9,386,627 08
New six per cent. stock, exchanged at par for old six and deferred	5,993,343 50
New do. do. arising from conversion of three per cent. stock at 65 new six for 100 three per cent. stock	1,859,770 70
1796 six per cent. stock	80,000
Louisiana do.	11,250,000
Total six per cent. stock	40,489,618 85
Three per cent. stock	16,158,044 42
	56,647,663 27

The interest on the whole debt and the annual reimbursement on the six per cent and deferred stocks, will for the ensuing year, amount to 4,226,000 dollars, leaving, in order to complete the annual appropriation of 8,000,000 of dollars, a sum of 3,774,000 dollars applicable to the reimbursement of the new exchanged six per cent. stock. The whole of that, and of the other new six per cent. arising from the conversion of three per cent. stock, amounting together to 7,853,000 dollars, would thus be reimbursed within two years. And after the 1st day of January, 1811, the whole annual amount payable on account of interest and annual reimbursement, could not during the seven ensuing years, exceed 3,756,000 dollars. But under existing circumstances, it is believed that the reimbursement of that new six per cent. stock will be nominal, and must be effected by incurring a new debt to an equal amount.

The actual receipts into the Treasury during the year ending on the 30th September, 1808, as they principally arose from the revenue accrued during the preceding year, (and the payments on account of drawback having been diminished by the embargo), have been greater than those of any preceding year, and

Amounted to	$17,952,419 90
And the specie in the Treasury on the 1st. October 1807, amounted to	8,529,573 08
Making together	26,481,992 98

The disbursements during the same period have amounted to $12,635,275 46, consisting of the following items:		
Civil Department and miscellaneous expences 1,238,967.18		
Foreign intercourse and payment of American claims assumed by the Louisiana convention 406,499.37		
Military and Indian Departments, including fortifications, and the expences of the new army 3,023,739.35		
Naval Department, including the appropriation of dollars 677,064.47, to cover the deficit of the preceding year	2,257,064.47	
Public debt, principal and interest (the greater part of the payments for the year 1808, falling as already stated, in the last quarter) have amounted only to	5,688,964.89	
		12,635,275 46
Leaving a balance in the Treasury, on the 30th September 1808, of		13,846,717 52
		$26,481,992 98

The cash in the hands of Collectors and Receivers, and the outstanding revenue bonds which will almost altogether fall due prior to the 1st of January 1810, may, after deducting the debentures, yet unpaid, and the expences of collection, be estimated to have amounted on the 30th September 1808, to	$10,500,000
Making together with the balance in the Treasury on that day, of	13,846,000
An aggregate of	24,346,000
Although the expences of the present quarter cannot at present be precisely ascertained, they will not, including the re-imbursement of 5,376,000 dollars on account of the principal of the public debt, exceed	8,346,000
Leaving on the 1st day of January 1809, a sum of	$16,000,000

Sixteen millions of dollars in cash or bonds payable during the year 1809, and applicable to the expences of that year. It is presumed that the receipts arising from importations and payments for lands subsequent to the 30th September 1808, will not be greater than the deductions on account of bad debts, and of the extension of credit on certain articles.

The expences of the year 1809, would according to the appropriations already made, and to the usual annual estimates, amount to thirteen millions of dollars, consisting of the following items—

1. Civil List and miscellaneous expences	900,000
2. Foreign intercourse	200,000
3. Grants by Congress and other miscellaneous unforeseen demands	150,000
4. Military and Indian Departments	2,736,000
5. Naval Department	1,014,000
6. Annual appropriation for the public debt	8,000,000
	$13,000,000

Leaving a surplus of only three millions of dollars for defraying all the expences for fortifications, military stores, increase of the army and navy, or otherwise incident to a state of actual war, or of preparations for war.

The annual appropriation on account of the public debt, amounting to eight millions, and the interest for the year 1809, being less than three millions of dollars; an authority to borrow five millions, would only create a new debt equal to the principal of old debt reimbursed during that year, and appears sufficient to provide for any deficiency arising from the extraordinary expences which may be thus authorised by Congress.

It thus appears, that notwithstanding the general warfare of the belligerent powers against neutral nations, and the consequent suspension of commerce which took place in the latter end of the year 1807, and notwithstanding the encreased rate of expenditure naturally arising from that state of things; the ordinary revenue will have been sufficient to defray all the expences of the years 1808 & 1809, including for 1808, a reimbursement of debt exceeding six millions of dollars, and without making any addition to that debt in 1809. The measures necessary to be adopted in order to make a timely provision for the service of the ensuing years, depend on the course which the United States will pursue in relation to foreign aggressions. And that being yet unascertained, it becomes necessary to examine the several alternatives left to the choice of Congress.

Either the navigation of the ocean will be abandoned by the U. States; or it will be resumed.

The first supposition is that of a continuance of the embargo of the vessels of the U. States, and admits of two alternatives.

1. Either a provision generally forbidding exportations, may continue to make part of the system, in which case, importations, whether expressly interdicted or not, must, for want of the means of payment, be also discontinued:

2. Or exportations, and corresponding importations may be permitted in foreign vessels.

The second supposition also offers two, and only two alternatives. It may indeed be admitted that the decrees of France can be enforced only in her own territories, and in those of her allies, that however efficient in preventing any commerce between the United States and herself, those decrees cannot materially affect that between her enemies and the United States, and may therefore in that respect be disregarded. But G. Britain having the means of enforcing her orders on the ocean, the navigation of that element cannot be resumed without encountering those orders; and they must either be submitted to or resisted. There can be no middle way between those two courses.

3. Either America must accept the portion of commerce allotted to her by the British edicts, and abandon all that is forbidden; and it is not material whether this be done by legal provisions limiting the commerce of the U. States to the permitted places, or by acquiescing in the capture of vessels stepping beyond the prescribed bounds.

4. Or the nation must oppose force to the execution of the orders of England, and this, however done, and by whatever name called, will be war.

Of those four alternatives, the second and third differ neither in principle nor in their effect on the revenue. As both plans consist in permitting partial exportations and importations, it must be acknowledged, that objectionable as that course may be in other respects, if considered merely in relation to the fiscal concerns of the union, it will for the moment be attended with less difficulties than either the present system or war. For however narrow the limits to which on that plan, the exportations and importations of the U. States may be reduced, yet there will still be some commerce and some revenue arising from commerce. And, as in pursuing that humble path, means of defence will become unnecessary, as there will be no occasion for either an army or a navy, it is believed that there would be no difficulty in reducing the public expenditure to a rate corresponding with the fragments of impost which might still be collected. If that course be adopted, no other provision seems necessary than an immediate reduction of expences.

The system now in force, and war, however dissimilar in some respects, are both considered as resistance. Nor is it believed that their effect on national wealth, and public revenue would be materially different. In either case, a portion and a portion only, of the national industry and capital heretofore employed in the production, transportation, and exchange of agricultural products, or in the foreign carrying trade, can immediately be diverted to other objects. In case of a continuance of the embargo and non-exportation, either a less quantity of commodities must be produced, or a portion will accumulate until the freedom of commerce shall be restored. In case of war that surplus will be exported, and although a part must be lost by capture, a portion of the returns will be received. If the embargo and suspension of commerce shall be continued, the revenue arising from commerce will in a short time entirely disappear. In case of war, some part of that revenue will remain; but it will be absorbed by the encrease of public expenditure. In either case, new resources to an amount yet unascertained must be resorted to. But the assertion that that amount will be nearly the same in either of the two alternatives of embargo or war, is correct only on the supposition that the embargo and non-exportation are after a certain time to be superseded by war unless foreign aggressions shall cease, and that rendering therefore, preparations for war necessary, they require a rate of expenditure far beyond that of a peace establishment.

If however, the embargo and non-intercourse are to have equal continuance with the belligerent edicts, indefinite as that is, if it be determined to rely exclusively on that measure, and at all events not to risk a war on account of those aggressions, preparations for war will become useless, and the extraordinary expences need not be incurred. In that case the expenditure for the year 1809, ought not to exceed the sum of thirteen millions of dollars, which as has been stated is requisite for the support of the present establishment. And this would leave for the service of the year 1810, the above-mentioned surplus of three millions, and the proposed loan of five millions, which together would be sufficient to defray the peace establishment, and to pay the interest on the public debt during that year. Thus two years more would be provided for, without either encreasing the public debt, or laying any new taxes. It is certainly only with a view to war, either immediate or contemplated, that it will become necessary to resort, at least to any considerable extent, to extraordinary sources of supply.

Legitimate resources can be derived only from loans or taxes: and the reasons which induce a belief that loans should be principally relied on, in case of war, were stated in the annual report of last year. That opinion has been corroborated by every subsequent view which has been taken of the subject, as well as by the present situation of the country. The embargo has brought into, and kept in the United States, almost all the floating property of the nation. And whilst the depreciated value of domestic products increases the difficulty of raising a considerable revenue by internal taxes, at no former time has there been so much specie, so much redundant unemployed capital in the country. The high price of public stocks, and indeed of all species of stocks, the reduction of the public debt, the unimpaired credit of the general government, and the large amount of existing bank stock in the United States, leave no doubt of the practica-