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In CONGRESS,

JANUARY 13, 1779.

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ARCHIVES OF THE STATE OF MARYLAND.

WE cannot review the progrefs of the revolution which has given freedom to America, without admiring the goodnefs and gratefully acknowledging the interpofition of Divine Providence. Oppreffed by the Prince who ought to have exerted himfelf for our protection, and fuddenly called upon to repel his unprovoked invafion,—without arms or ammunition, without military difcipline or permanent finances, without an eftablifhed government or allies; enfeebled by habitual attachments to our very enemies—We were precipitated into all the expenfive operations incident to a ftate of war, with one of the moft formidable nations on earth. Thus furrounded on all fides with wants and difficulties and dangers, notwithftanding the internal wealth of our country, immediate taxation was impracticable; and, for the fame reafon and a fhare of ill fuccefs at different periods, we could not hope, either at home or abroad, to borrow money to fupply our exigencies.

Humbly relying on the favor of Heaven in a righteous caufe, and confiding in the juftice and intrepidity of our injured fellow citizens, we, from neceffity, embraced the expedient of emitting paper money on the faith of the United States, for the expences of the war—an expedient which had often been fuccefsfully practifed in feparate States while we were fubjected to Britifh domination. The implacable vengeance with which we have been purfued has compelled us to the moft ftrenuous and unremitted efforts: Large iffues of money were of confequence indifpenfibly neceffary, and the paper currency multiplied beyond what was competent for the purpofes of a circulating medium. This alone could not fail to difcredit it in fome degree. The arts of an unprincipled enemy have increafed the mifchief. In defpair of fubduing the free fpirit of America by force of arms, or the intrigues of negociation, as their laft effort they have had recourfe to fraud. Their emiffaries have been employed in a variety of artifices to debafe our money, and to raife the price of commodities. The fears and apprehenfions of the people have been alarmed by mifreprefentation; while our enemies of the higheft rank have not hefitated to counterfeit the bills of credit and difperfe them throughout the United States.

Such being the embarraffments which interrupt a free circulation of our paper money, they loudly call for a remedy; and Congrefs, from a regard to good faith, to private juftice, and to public fafety, are bound to apply it. Happily, by a combination of aufpicious events, every obftacle is removed, and the means placed within our reach. Thofe hoftile armies which attempted to enflave us, no longer formidable, are wafted and difperfed. Our independence is eftablifhed on a firm bafis; our refpective Governments which compofe the Union, are fettled and in the vigorous exercife of uncontrouled authority. An Alliance, on terms of perfect equality, is formed with one of the greateft nations on earth; and, freed in a high degree from external affaults, we have leifure to direct our attention to oeconomy, and our refources to fupport the public credit: To raife the value of our paper money, and to redeem it, will not, we are perfuaded, be difficult; nor to check and defeat the pernicious currency of counterfeits, impracticable: Both require a far lefs fhare of public virtue and public vigilance than have diftinguifhed this arduous conflict.

Without public inconvenience or private diftrefs, the whole of the debt incurred in paper emiffions to this day, may be cancelled by taxes: It may be cancelled in a period fo limited as muft leave the poffeffor of the bills fatisfied with his fecurity; and if by a continuance of the war the public fervice fhould demand further emiffions, they too may be cancelled within the fame period: It being evident that our ability to fuftain a tax muft encreafe in proportion to the quantity of money in circulation.

The danger from counterfeits can only be avoided by calling in and exchanging the emiffions which have chiefly fuffered by that fpecies of fraud. To publifh the marks of detection, and ftill to leave the true bills current, will not be prudent; as it muft afford an opportunity for correcting defects and cheating more fecurely.

To defend the emiffion intended for the exchange from counterfeits, the ftrongeft guards will be devifed; and it is expected that the marks of authenticity will be fo obvious, and the difficulty of fuccefsful imitation fo great, as to difcourage the attempt or elude its effects.

Upon thefe weighty confiderations Congrefs have agreed to the annexed Refolutions, and recommend them to the immediate attention of the refpective Legiflatures of the United States, to the end that Laws may be enacted to give them the moft fpeedy, decifive, and effectual operation.

IN CONGRESS, January 2, 1779.

WHEREAS thefe United States, unprovided with revenues, and not heretofore in a condition to raife them have, in the courfe of the prefent war, repeatedly been under the neceffity of emitting bills of credit, for the redemption of which the faith of thefe United States has been folemnly pledged; and the credit of which their honor and fafety as well as juftice is highly concerned to fupport and eftablifh. And whereas to that end it is effentially neceffary to afcertain the periods of their redemption; and feafonably to eftablifh funds, which, in due time, without diftreffing the people, fhall make adequate provifion for the fame. And whereas, in apportioning the payments for the faid fund, it is expedient that an extra fum be called for the current year, both on account of the prefent eafe of paying it and to reduce the furplus in circulation. Therefore

Refolved, That thefe United States be called on to pay in their refpective quotas of fifteen millions of dollars in the year 1779, and of fix millions of dollars annually for 18 years from and after the year 1779, as a fund for finking the emiffions and loans of thefe United States to the 31ft day of December, 1778, inclufive.

That if the continuance and circumftances of the war fhall make any further emiffions neceffary, the year enfuing, they fhall be funk in the manner and within the period aforefaid.

That any of the bills emitted by order of Congrefs, prior to the year 1780, and no others, be received in payment of the faid quotas.

That the bills received on the faid quotas, except thofe for the year 1779, be applied firft for payment of the intereft, and fecondly of the principal of loans made by thefe United States, prior to the year 1780, and that the refidue, together with thofe received on the quotas of the year 1779, be not re-iffued, but burned and deftroyed as Congrefs fhall direct.

And whereas many counterfeits have appeared in circulation, of various denominations, of the emiffions of May 20, 1777, and April 11, 1778, and counterfeits of thefe emiffions have lately been iffued by our enemies at New York, and are found to be fpreading and increafing faft in various parts of thefe United States; whereby individuals are defrauded, prices enhanced, and the credit of the paper currency greatly injured; and it is become neceffary for the fecurity of individuals and fafety of the public, that thofe two emiffions fhould ceafe to be a circulating medium, and fhould be called in, and exchanged, or otherwife provided for as foon as may be with convenience to the prefent holders. Therefore

Refolved, That the following bills be taken out of circulation, namely, the whole emiffions of May 20, 1777, and April 11, 1778.

That they be brought in for that purpofe in the manner hereafter provided by the firft day of June next, and not afterwards redeemable.

That they be received for debts and taxes into the Continental Treafury, and into the State Treafuries for Continental taxes, until the firft day of June next.

That they be received until the firft day of June next, into the Continental Loan Offices, either on loan or to be exchanged, at the election of the owners, for other bills of the like tenor, to be provided for that purpofe.

That the bills lodged in the faid offices to be fo exchanged, be there regiftered, and indented certificates thereof given to the owners by the refpective Commiffioners of the faid offices.

That the Commiffioners of the Loan-Offices make returns to the Treafury Board, immediately after the firft day of June next, of the amount of the bills received into their refpective offices to be exchanged as aforefaid, and that proper bills to exchange the fame be furnifhed and ready to be delivered out at their faid offices, within 60 days from and after the faid firft day of June.

That the firft mentioned bills, as they are brought into the Treafuries and Loan-Offices, be immediately crofled and ftruck through with a circular punch of one inch diameter, to be afterwards examined and burned, as Congrefs fhall direct.

Extract from the minutes,

CHARLES THOMSON, Secretary.