

pect of their affairs righting themselves so desperate, as might at first sight be supposed. Every holder of Pennsylvanian bonds is undoubtedly entitled to assume that "there's something rotten in the state of Denmark," and to observe to any traveller who extenuates the delinquency of the State, "the better you think of the people, the worse opinion you must entertain of their institutions." How, under a representative form of government, can such events occur in time of peace, and, moreover, in a state so wealthy, that an income tax of  $1\frac{1}{2}$  per cent. would yield the two millions of dollars required,\* and where the interest on the bonds was not usurious nor unusual in America—unless the majority of the electors be corrupt or grossly ignorant?

It appears that in the year 1831, when Pennsylvania borrowed a large sum for making railways and canals, she imposed direct taxes for seven years, for the express purpose of regularly paying the interest of her debt. It was hoped, from the experience of New York, that, at the expiration of that term of years, the public works would become sufficiently profitable to render it unnecessary to renew the tax. The inhabitants went on paying until the year 1836, when the government thought itself justified in remitting the burden, on being unexpectedly enriched by several large sums from various sources. In that year they received for granting a charter to the U. S. Bank of Pennsylvania 2,600,000 dollars, and 2,800,000 more for their share of monies which had accumulated in the treasury of the Federal Government, arising out of the sale of public lands, and then divided among the States. It was calculated that these funds would last for three years, and that the

\* Tucker's Progress of the U. S. 1843, p. 210.