1803, Sept 12

come the Massachusetts of Western America, that is, the oldest and most powerful of these Communities, which will be speedily be formed in the great central Valley of our Continent - will Massachusetts consent to change sides, and become herself a Kentucky, that is, the chief State, of a minor and constantly decreasing interest?

The price of this assign must be paid wholly by the monied States. New countries cannot supply our Treasury - they will require money both for protection, for civil establishments and for improvements.

The price is to be paid in the most inconvenient form. The stock is to be unredeemable for 15 years, and then redeemable in payments of less than 3 millions in one year. The whole debt cannot be paid in less than 18 or 19 years. The interest is to be six per cent, payable in Paris, London, or Amsterdam as the French Government may direct. Thus have we contracted a great debt and what is worse, the interest of this debt must be paid in Europe.

The test of public credit at present, is the price of this new stock - It has been contracted for and sold (if the Treaty is ratified) at about 78 p. cent or at 22 p. cent discount. The difference between the amount of the stock and the sum in money, which the contractors are to pay, is the value of Louisiana, in the opinion of France. We have borrowed money therefore with the interest payable in Europe, at the rate of 7-6/8 per cent.* Is this better than the famous loans, which Mr. Gallatin said bore an "exorbitant" interest?

Former grants before the assign, are secured to the purchasers. I imagine this will interfere in no little degree with the sales to be made by our Government. From what I have heard I conjecture the cream was skimmed before the milk was sold.

* and with a loss of 22 p. cent capital on the sum borrowed.