

**James Monroe to Thomas Jefferson, June 16,
1785, from Thomas Jefferson and James Monroe
Correspondence, Transcribed and Edited by Gerard W.
Gawalt, Manuscript Division, Library of Congress**

James Monroe to Thomas Jefferson

New York June 16. 1785.

Dear Sir

By Colo. Smith, Secry. to the London Legation I wrote you in April last very fully upon our transactions previous to that date. I also inclos'd you the journals that were then printed with the copy of a report upon the first paragraph of the 9th of the Articles of Confederation proposing a change in it and the absolute investment of the U.S. with the controul of commerce. I now enclose you a copy of the journals as well those sent by Colo. Smith as those since printed, likewise an ordinance for surveying and disposing of the lands beyond the Ohio. Unfortunately I have not been able to command my cypher from Virga. So that yr. communications in the last & preceding letters, have been hid from my view. I left it with Mr. Jones who hath plac'd it among his papers but where he knows not. He promises to search agn. on his return home which will be shortly. I hope to receive the one by young Mr. Adams wh. will terminate the difficulty. The report upon the 9th article hath not been taken up. The importance of the subject & the deep and radical change it will create in the bond of the Union together with the convic-

-tion that something must be done, seems to create an aversion or rather a fear of acting on it. If the report shod. ultimately be adopted it will certainly form the most permanent and powerful principle in the confederation. At present the alliance is little more than an

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offensive and defensive one, and if the right to raise troops at pleasure is denied, merely a defensive one. The political economy of each State is entirely within its own direction and to carry into effect its regulations with other powers to attain any substantial ends to the State, they must apply as well to the States of the Union as other powers, and such a course as this will produce very mischievous effects. On the other hand the effect of this report wd. be to put the commercial economy of every state entirely under the hands of the Union, the measure necessary to obtain the carrying trade, to encourage domestic by a tax on foreign industry, or any other ends which in the changes of things become necessary, will depend entirely on the Union. In short you will perceive that this will give the union an authority upon the States respectively which will last with it & hold it together in its present form longer than any principle it now contains

will effect. I think the expedience in a great degree of the measure turns on one point (especially to the Southern States) whether the obtainmt. of the carrying trade and the extention of our National resources is an object. And this depends entirely upon the prospect of our connection with other powers; if like the empire of China we were separated and perfectly independent of them it might perhaps be unnecessary: but even in the event a question arises wh. may be of consequence, "whether the giving our own citizens a show in the carrying trade will not otherwise be advantageous to them than as it obtains the particular object wh. the regulations necessary to effect it have in view; whether it will not in effect increase the value of land, the number of inhabitants, the proportion of circulating medium, and be the foundation upon which all those regulations which are necessary to turn what is call'd 'the balance of trade' in our favor, must be form'd." A preference to our own citizens is the foundation of the carrying trade and upon it I suspect will depend all these consequences. Yet an opinion seems to be entertain'd by the late commercl. writers and particularly a Mr. Smith on the wealth of nations that the doctrine of the balance of trade is a chimera in pursuit of wh. G.B. hath expos'd herself to great injury. If it shod. be found that the carrying trade was only useful as it ad-

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-ded to the national strength & it of no great consequence I shod. suspect that the apprehensions already entertain'd and which will no doubt form great embarrassment to the passage of this or any such measure, shod. have great weight.-"that the pursuit of this object will put it in the power of those States more immediately interested in it, to carry the regulations further than the attainment of it may make necessary, so as to give them advantages that will be almost exclusive & operate essentially to our prejudice: so as to lessen the price of our produce, discourage its cultivation & throw the monopoly in the purchase principally in their favor." Whether this under the report will probably be the case or possibly is doubtful: the regulation of the fishery is as much under our controul, even without the bounds of the States, as the tobo. of Virga. And all the states have produce, so that I am inclin'd to hope that the productions of the South, though disproportionate to that of the East wou. not induce, more especially as the revenue accrues to the State, and not the Union, any unequal restrictions. The subject is of great magnitude and I very earnestly wish to hear from you on it before it obtains its fate and this I am persuaded may be the case especially if the letter by Colo. Smith obtained a ready conveyance.

I informed you in my letter by Mr. Smith that a Committee was appointed to revise the instructions subsisting to our Commissrs. authoriz'd to form commercl. treaties and report what alterations if any were necessary . This Committee hath reported and repeal'd the two first articles. I think it will be adopted. As I have no cypher I cannot risque anything upon this head further than to observe than the letter I allude to will serve to give you some idea of the alteration. It is prefac'd with reasoning upon the propriety of the alteration, upon which it is form'd and of course if the reasoning is illy founded the superstructure falls to the ground. I hope the whole will either be adopted or negativ'd for it will, if adopted, enable our ministers to investigate the truth of the positions and represent them to us, which their situation enables them to effect. There seems in Congress an earnest disposition to wind up our affairs as they respect foreign nations, exclude their interests totally from our Councils, and preserving our faith with the utmost punctuality with those

Library of Congress

to whom it is plighted, make such regulations as will effectually promote our interests. Information and a knowledge in

what it consists are the only points in which they are defective. I have never seen a body of men collected in which there was less party, for there is not the shadow of it here; I think there will be no adjournment and I sincerely wish there may not be for I fear it will not be easy to collect men from the States with more upright intentions. That you may have in view whatever is in agitation respecting the western country, to judge of the system if there is one I enclose you the copy of a report now before Congress wh. comprehends whatever is propos'd to be done respecting it for the present. Upon the report of the Indian Commissrs. the matter will again be taken up and then it will be determin'd what authority Congress will exercise over the people who may settle within the bounds of either of the new States previous to the establishment of a temporary govt. whether they will leave them to themselves or appoint Magistrates over them-I think the enclos'd report will be adopted; it hath been several times before Congress & each time there were 8 states; to-morrow it is believed there will be 9. The plan of a requisition is before Congress. The States have fail'd essentially during the last year in making their payments. Virga. hath pd. I believe more than all the rest. The present plan is the proposal of the requisition of 8,000,000 as was that of the last year. The amt. Necessary for the current

year abt. 3,000,000-1. for the interest upon the foreign debt & expenses of govt. & 2. the domestic debt. For the latter purpose facilities are propos'd to be admitted. I must confess I doubt the propriety of pressing old requisitions & think it wod. be better to ascertain what had been pd. by the several states upon that requisition, & upon the apportionment under it, what claims those paying most had on the others, and then begin anew making also a new apportionment. This wod. be more simple & better understood. I am also rather doubtful of the propriety of doing anything whatever in the domestic debt. Several of the States, Pena. in particular hath appropriated her money to her own citizens only. From her & the other states, taking the same course, we shall have no support. It appears then better to recommend it to the States to take on themselves the debts of the U.S. to their

Library of Congress

citizens respectively, let them be pd. by State operations & then after liquidating the whole, and the quota of each is ascertain'd, of the proportion of the expences, of the late war, let the balance which either shall have advanced beyond its proportion be paid it by the Union. This is a new idea nor do I know that I shall suggest it further, but perhaps may hereafter more especially if it shall appear founded in justice and expedience. During the recess of Congress last year No. Carolina made

a cession of territory to the U.S. Authorizing her Delegates to make the deed. Before Congress conven'd she repeal'd it. Lately a motion was made & a report upon it accepting the cession supposing the acceptance conclusive on the state. I was surpris'd to find it had so many advocates, there being six States in favor of it. I suspected it wou'd. have again been taken up but was agreeably disappointed. The act gave Congress a year to accept it in & uses the term at the end of it "provided it shall not be accepted within that time it shall revert to the State." Yet I cou'd. not conceive it obligatory on the State untill accepted by the U.S., and of course until that event within the controul of the State. The people within the said territory had separated themselves from the State & declar'd themselves an independent state under the name of Franklin. Their agent was also here at the time upon that subject. He recd. no countenance whatever, and all that was done relative to it was to renew the recommendation to the State to make a 2d cession. It is in contemplation to send a Committee to No. Carolina and Georgia upon the subject of western land & of finance to press their attention to those subjects-but of this as well as of the other objects to which

their attention may be turn'd I will write you more fully in my next. The great points which will be fore the Union as well in those lines as that of commerce, will perhaps have taken their ultimate direction here in a few months or in the course of the year and then the several legislatures will be the theater of investigation. Committees of Congress may perhaps expedite their passage. I shou'd. not have wrote thus freely without the cover of a cypher but from the confidence I repose in Mr. Mazzei. He will deliver it to you personally. He hath been here about a fortnight and sails to-day in the packet. I have been much

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concern'd for an accident which happen'd to him here. While with us one evening his room was found open & his trunk with papers & money taken out. He recov'd everything except abt. 40 guineas. As my col

leagues write Mr. Short I must beg his excuse for the present. I hope he is well. I am with great respect & esteem yr. affec: friend & servt. Jas. Monroe

RC (Jefferson Papers, Library of Congress).