

deed. He must get a commission merchant to accept for him at a charge of two and a half per cent. for the use of his name. Every farmer who became involved in a bank, must do it at this heavy cost. Whatever amount of odium might attach to him by his position on this subject he was prepared to encounter, for he believed that the actual business community would be benefitted by it.

He concurred with the gentleman from Calvert, [Mr. Sollers,] that if the State of Maryland was under this influence—that if it was in the power of bankers to raise these kinds of panics, the sooner it was put down the better. He differed with the gentleman from Anne Arundel. He did not know whether he [Mr. B.] should be an advocate for the new Constitution, but he was of the opinion that the adoption of such a proposition as this, would give the constitution strength, and if its other provisions were in keeping with this one, it would be carried through. He did not, however, like that part of the proposition which in sweeping terms made all the stockholders personally liable for the responsibilities of the corporations, and he therefore would call for a division of the question. He did not like it, because it might result to the injury of the widows and children who owned stock in the corporation.

Mr. SPENCER made some remarks which will be given hereafter.

Mr. CONSTABLE moved to amend the amendment of Mr. SOLLERS, by striking out, in the 8th line, the words "or have any accommodation at or otherwise deal with," also by striking out the words "except as to salaries," and by striking out, also, the words "or dealt with," and insert "from."

Mr. C. said that he had no objection to the rest of the proposition, in its utmost consequences, even if it produced the panic spoken of by the gentleman from Queen Anne's, (Mr. Spencer.) He remembered fourteen or fifteen years ago, being in a county where money was worth two and a half per cent, and not a dollar to loan, and no sooner had the panic subsided, than one hundred thousand dollars were in the county, and money could be obtained on four per cent certificates. His only objection to the proposition was that the directors were to have no accommodation or otherwise deal with the bank. When bank directors desired accommodations, they could go to some other bank. The restrictions should be only that they should borrow no money from the bank. He desired to strike out that part of the proposition which prohibited them from dealing with the bank.

Mr. SOLLERS said that he was perfectly willing to modify his proposition so as to obviate the difficulty, and he therefore accepted the amendment of the gentleman from Cecil.

Mr. CONSTABLE said that now, in nearly every State, the stockholders were made individually liable for the amount of their stock. This was the law in Pennsylvania, New York, Massachusetts, and in all of the northern States, and the sooner they adopted this law in Maryland, the

better. He knew a house in Baltimore city which discounted as much paper as any bank there. Nineteen-twentieths of the whole discounting was done by private banking houses. He saw no objection to any other part of the proposition, and was glad that the gentleman had modified it to meet his views.

Mr. DONALDSON moved to amend the amendment of Mr. SOLLERS, by striking out the words "banking purposes, or renew any banking corporation now in existence," and inserting in lieu thereof the following:

"The purposes of banking, trading, mining, manufacturing or navigation, nor shall any such charter now in existence be renewed."

Mr. DONALDSON thought that, if there was any propriety in passing the original proposition, his amendment ought surely to be adopted. The Legislature created a great many corporations, which were, in fact, mere covers for private operations. It often happened that four or five men desired to enter jointly into some extensive business, either of trade or manufacturing, or other enterprise, but wished to secure to themselves the profits which might be realized without suffering from the losses which might occur; and for this purpose, instead of forming a common co-partnership, they would procure from the Legislature—as was but too easily done—an act of incorporation. Thus they were enabled to divide the profits of their business, so long as profits were made, and when a disastrous time overtook them, the corporation, as such, perhaps failed, and all to whom it had become indebted, were obliged to suffer the ill effects of the explosion, without having the power to make the individual corporators liable, whatever profits had been previously divided. Often a large number of day-laborers were thus defrauded of the wages for which they had toiled a long time, and which were absolutely necessary for the support of their families. Some times the same set of men obtained successive acts of incorporation for companies with different names, though for the same kind of business, so that when a failure took place under one of them, they might resort to the cover of another, and continue the same dishonest system. The creditors of the corporations were sometimes obliged to fail, on account of the bad debts due by those corporations, yet the corporators themselves might flourish, because they were protected from personal liability for those debts.

Here then was a much greater evil than could arise from the present system of banking. Indeed, it must be admitted that in every case the bank charters were procured with the *bona fide* intention of establishing great public corporations, in which a very large number of persons were interested as stockholders, who would not, and could not, enter into a private partnership for the same purposes. In the management of these institutions, not only the large body of stockholders, but the whole public, were deeply interested, and therefore their proceedings were watched with the keenest scrutiny, which was a check upon any tendency to injurious action. It was true