

Mr. NEGLEY. I know they do; but money being abundant I think the rate of interest is likely to go down rather than to go up. It is probable, from the very fact that it is governed by the same law. The amount of money in the country is vastly increased. Hence the price of everything has gone up. Money being cheap, everything is dear. The worth of money, therefore, instead of increasing, is rather depreciating. The fact is that 6 per cent. now is a depreciation. If the interest had kept up, it would be 9 per cent., and ought to be 15 per cent., if the interest had kept up with the increase in the amount of circulation, for everything has advanced that much in price; every thing but money; and it has been kept down by the simple fact that the supply has been so abundant that money could be borrowed on accommodating terms. I do not know that I would be in favor of disturbing the rate of 6 per cent. as it is now. I certainly am in favor of the section as reported by the committee.

If it shall be passed, the convention will have made a very considerable stride towards bettering the condition of the people, in taking away the restriction of these usury laws that have come down to us from Bible history.— Why is it that so much odium was attached to usury among the Jews? It was to prevent the Jews from borrowing money, because when they got into debt they were sold into slavery, and because the Jewish law put its face against slavery. It liberated all Jewish slaves at the end of every seven years. This was one means of producing slavery. Borrowing money and not being able to pay when pay-day came, the Jew had to go into slavery; and hence the odium which has come down to us. But that does not apply at all to a commercial age of the world. You might as well say that bigamy being recommended once, or rather permitted once, it is advisable to be recommended and lived up to now. The fact is that it was there in the Bible, and that the circumstances out of which it grew have entirely changed; but it has come down to us with the odium of the Jew; and to this day the money lender and the Jew are connected together, and we associate them together.— Whenever you talk about a Shylock, it is synonymous with a money lender or a Jew.

Mr. THRUSTON. I do not think there is anything more apparent now than that money is not worth more than 6 per cent. when we see 6 per cent. securities selling above par in the market. The difficulty is that gentlemen call money that which is not money. Money—gold and silver—is very scarce, and very hard to be got. But when you offer the right kind of security you can get it at 6 per cent.; and the proof of that is that good, undoubted securities are selling for less than 6 per cent. So that money now is not worth 6 per cent. Currency is a very different thing from money. Currency refers to money for its value; but

it is not money itself. We know that the experience of civilized nations has been that it is necessary to have some moderate rate of interest fixed by law. That has been the experience of the civilized world for the last fifteen centuries. I think that this idea that the money lenders, the people whose only trade and business it is to lend money, are themselves best fitted to take statesman-like views upon the subject of usury is an anomalous argument. Persons can generally look at things in which they are not interested under circumstances more favorable to coming to a right conclusion, than those whose interest it is to make them work in one direction, and one direction alone. A man whose trade it is to loan money, finds it to be for his interest to get as much for the use of money as he can; and therefore it is his interest to go to the persons most needy and necessitous to obtain money, to lend his money to them because he can get a higher rate of interest for it.

There is one argument which, to my mind, is unanswerable against giving no rate at all, but allowing any rate to be agreed upon by contract; and it is this. Men who are in debt upon contracts at a small interest, unable to pay it at the stipulated time, feeling themselves in depressed circumstances, will go and borrow money at any rate, 50, 60, or 100 per cent.; and when their creditors come to be paid from their estates, the honest debt contracted by them when they borrowed money at 6 per cent. or bought goods to be paid for on time, will be placed upon an equality with debts to the man who has loaned them money at 50 or 100 per cent. A man in failing circumstances wants \$1,000, and perhaps he never expects to pay it. The creditor runs a great risk and demands a double payment. He rather thinks it is good, but he asks 6 per cent. interest and 10 per cent. for the risk. People who loan money will always loan it so as to make the greatest profit out of it.

In the amendment which I propose, and which goes as far as I am disposed to go, allows parties to contract at seven and three-tenths per cent.; and gentlemen must reflect that that is equivalent to 9 per cent. if you stipulate, as you may stipulate, as the gentleman from Kent (Mr. Chambers) argued, that the borrower shall pay the taxes; for with the taxes, seven and three-tenths per cent. will amount to 9 per cent. which you may receive for your money. That is a sufficient interest, especially in times when, as I say, undoubted security does not command 6 per cent. In other words you must pay such a price for the bond that it really brings but 5 per cent. I think that seven and three-tenths is sufficient. It is a higher rate than is allowed in any of the States around us, and therefore it will keep our capital at home, instead of going to adjoining States, or neigh-