

date it in case the party should come into court and plead usury and tender the amount.

Mr. MILLER. Certainly; but that would invalidate it.

Mr. DANIEL. I will come to that directly. I say that this is done every day. In my own experience I know it. It is customary for every money lender and broker in Baltimore city to do that same thing. Money will have its value. But the gentleman says it will invalidate it in a court of justice if the party comes into court and pleads usury and tenders the amount of the principal and six per cent. interest.

Mr. PETER. Would not a court of equity say that that is a debt, like any other debt, and compel the creditors to pay it back?

Mr. DANIEL. I do not think it would; but the question has never been tried. At any rate the only way to avoid it is for the party defendant to go into court and plead usury and tender the principal sum and interest; and I say that no man who has any respect for his character in the commercial community will ever do that; and I think the history of Baltimore will bear me out in that. There has been perhaps but one case known where a man has ever done it under the present constitution. A man goes upon the street, and goes to Mr. A. who has money to loan; and Mr. A. says, "I cannot lend it to you unless you give me twelve per cent. He says, "I know it is worth that, and I am willing to give it to you;" and he contracts positively on his honor as a gentleman to pay that amount. Then when he fails to pay it, and you sue him in court, he comes in and says, "true, money was worth it; and true, I promised to pay it; but the law says I need not pay it, and I will plead the statute of limitations and avoid it;" because it is in effect a statute of limitations; and no man that places any value upon his character would ever plead usury upon a contract; just as no man of honor will plead the statute of limitations upon an honest debt. A man who has agreed to pay twelve per cent. deems it beneath his dignity and honor to come into court and plead usury. And I say it would be doing injustice, although the gentleman from Anne Arundel (Mr. Miller) called it justice to plead it. I say it would be injustice after going to a man and privately contracting with him to give him twelve or fifteen per cent. and knowing that he relies upon your honor to pay it, then to go into court and plead usury to avoid, because the law allows him to do it,—plead that he has made a dishonest contract which is void in law.

I wish further to say in reference to the plea made here that money lenders and money borrowers are not upon equal terms, that I think that money borrowers are a great many of them about as sharp as money lenders; and I have seen some quite as sharp. The man whose interest it is to borrow gene-

rally studies his interest, where he can do best, as much as those who lend. Human nature everywhere is the same. It merely depends upon the peculiar acuteness of the man who borrows and of the man who lends, as to who gets the advantage in the bargain.

I will say, moreover, in conclusion, that the court of appeals and the legislature of Maryland have tried to avoid these onerous laws by construing them liberally; and the legislature have passed laws so as to avoid this very thing which gentlemen would have us confined to, that money should be loaned at six per cent. Chief Justice Taney said that under this very constitution of Maryland, if any man loaned at a higher rate than six per cent. it was absolutely void, and the man forfeited the contract, principal and interest. Yet in the very face of that decision, our court of appeals was so earnest to construe this law liberally, that commerce might be promoted, that contracts between men might be observed, and that money might have its own value without being restricted by a construction that was not the law, settled the principle that a man could only void the contract by pleading usury, and if he did plead usury he must tender both the principal and legal interest.

I saw this very matter tried in the superior court of Baltimore. A party had agreed to give more than six per cent. He did not plead usury, but he tried to avoid it as being illegal; and the court gave the instruction that the plaintiff should recover the full amount, the interest which was contracted for, being, I think, eight per cent. That is the law now. Courts and legislatures have so construed it as to break down this provision of the constitution, with regard to usury, so far as its original intention is concerned, in order to promote progress. As sure as you adopt such laws, while your neighboring States, New York and others, allow a charge of seven, eight, or ten per cent., you cause money to flow out of Maryland into those States, and make it harder for the poor men, the particular friends of my friend from Howard, to get the little sums of money which he may need. He cannot borrow because the money will not be here to loan.

I know of my own knowledge that banks in Baltimore city find at their desks when they come there in the morning as many letters from New York as they can answer, for money in large sums to be loaned upon good security at seven per cent. And some of the largest banks of Baltimore city tell me that they do not care to loan money in the city of Baltimore, they can do it so much better advantage in the city of New York. The result is to cripple us and put us into the hands of Shylocks, to whom we must pay exorbitant interest, because you do not make it worth while for honest and honorable men to loan money, for you do not allow them to charge