

mercial community from the earliest days until now when money has had any fixed value.

What is speculation? What does the gentleman call sound business? What has made the commerce of the United States but speculation and the reaching out of the arms of merchants to the trade of foreign countries, and finding a sale for the products of other lands? Speculation! Without speculation the commerce of the United States could not exist one day. It is speculation going solely upon judgment in many cases, failing and failing and failing again, but out of this failing they come to final success. The first new thing in a country has hardly ever been successful; but they have gone into the hands of men who have made them successful by repeated trials and repeated efforts time and again, and thus the commerce of the country has been made what it is. The rate of interest has depended upon the wants of men who have properly employed money in carrying out these enterprises, and in supplying the commercial requirements of the country.

How can a man who desires to operate with money, the gentleman asks, do it when money fluctuates? How can a man who desires to farm, do it when oats are fluctuating? How can a man who desires to go into business of any kind, do it when the prices of merchandise are fluctuating? Does the man who goes into business require to know what will be the prices of merchandise? Does he require that the prices shall be fixed by law? He takes the risk of the market. So the man who wants money does not require to know whether it will fall or not. He makes up his mind according to the best of his judgment, and comes to a determination whether he can employ it profitably at the rate he borrows it, knowing that the price of money as well as the price of anything else is constantly fluctuating. In every business, in every calling, is the element of fluctuation. But the fluctuation of money has nothing to do with this question, because the man knows what he is to pay by his contract, and that is what he must calculate upon.

But how allowing the right of making private contracts makes money fluctuate I do not see. If I see that I can employ money at an advantage for six months at twenty per cent., I make the contract, and it does not fluctuate during that time. During that time it is fixed and immutable. If I borrow more money three years hence, at a different rate, that has no reference to what I borrow to-day.

How is it in England? The Bank of England fluctuates, changing its rate every day. To-day, perhaps it is eight per cent. and to-morrow five or six. They fix the rate as they think proper. They ask no

consent from anybody. It is a power given to them in their charter. The security is that they state the rate of interest publicly in the market on the day on which they intend to sell at that price. To-day they say it is eight per cent., and ask who wants it at that price. If it is not worth eight per cent. to-day no man will be willing to take it, and to-morrow they may publish that the rate of interest is five per cent., and ask who wants money to-day at five per cent. The thing is open, fair and above board. There is no chance for men to grind the face of the poor that gentlemen have talked about so much. If a man has good security to offer he goes into the market and takes the money he requires at eight per cent., or five per cent., or whatever may be the published rate.

When a man goes into the market to make a contract for money he goes exactly as he would go to-day to buy gold. The first broker charges him 2 60 and the next one perhaps 2 58, and he buys it where he can get it at the lowest rate. So in borrowing money, he goes round to find where he may get the money at the least rate upon his security. The man is safe. It is a fair open transaction. The lender estimates the risk which he runs in taking that security, and fixes the rate at which he will lend the money, and the borrower takes it or not as he pleases.

It is notorious that in New York city, where the rate is seven per cent., money is loaned at five; when the security is undoubted. If the security is not undoubted the price runs up, until the security gets so bad that no man will touch it at any price.

The money borrowed on real estate, to which the gentleman from Kent referred, is not one tithe of the money used. The money borrowed upon real estate is generally used to make improvements upon that estate; but the bulk of the money used is used for commercial purposes in the country and goes from one end of it to the other. It is constantly circulating. The amount of money borrowed in the State of Maryland for a whole year on real estate I do not believe equals the amount borrowed on the streets of Baltimore in a period of commercial activity in a single day. They go and borrow it upon the security of commercial paper, or bonds, city bonds, or Maryland bonds, or others, which are held until the note is paid. There is very little money borrowed for commercial purposes on real estate.

The gentleman says that in Baltimore and in Maryland we are not subject to the spasmodic contractions of the New York market. I tell the gentleman that if this morning, at 8 o'clock, it had been telegraphed to Baltimore that money was tight in New York, at ten o'clock you could hardly squeeze out a dollar in Baltimore. As fast as the telegraph could bring them there would be calls for money from New York, and in any