

only. I had occasion to have some transactions with a bank in Philadelphia; and the president of the bank told me that but a small portion of its paper was out; and that it would give ten per cent. to any person who would bring in any considerable portion of their outstanding circulation. And at another bank they declined to give me their own paper, but gave me greenbacks.

Mr. CUSHING. That was out of the State of Maryland, I understood the gentlemen to refer to the banks in Maryland.

Mr. CHAMBERS. The gentleman represented the banks as having in circulation, and keeping in their vaults a large amount of greenbacks.

Mr. CUSHING. And I stated the reason why that was so; that their notes would otherwise have been rejected at the counter of the First National Bank in Baltimore. It was not till then that they made the difference between \$20,000 and \$250,000 in greenbacks in their vaults. They began to assist the government when they found that they must either submit to having their own notes thrown out of the community, or else keep government money.

The gentleman thought proper to indulge in various remarks about the logical consistency of my arguments. And he said that we were affecting great interests involved in banks. I do not know that we are affecting those banks that are now in existence. We propose to prevent future interests existing, and therefore cannot affect them now. A thing which has no existence, and which we propose to prevent having any existence, cannot be injuriously affected by our action here. It leaves the banks now in existence, exactly as they are, but prohibits the creation of any new ones.

The gentleman also pleased himself by representing me as saying, that the circulation of the notes of Maryland banks, affected the New York market. That is so ludicrous, that I will not notice it.

Mr. CHAMBERS. Did not the gentleman, say so?

Mr. CUSHING. I certainly did not. I said the circulation of local banks throughout the country.

Mr. CHAMBERS. Then I misunderstood the gentleman, and am very happy to correct myself.

Mr. CUSHING. And the gentleman says that this is an attempt to get the government out of its difficulties. Now, if it was so, could there be any single object presented to this convention, more worthy of its consideration?

Mr. CHAMBERS. I said that the gentleman argues that this is necessary to aid the government. And I attempted to show that it could not give the assistance he desired to give.

Mr. CUSHING. I think this is one step in

the right direction; it is a means by which one State does the right thing in regard to the local currency; that is all. The nature of the rest of my remarks were general, as to flooding the country with local currency; not local Maryland currency, but the local currency of all the States which issued it. I want Maryland to take this step in the right direction. Let her do what is right, trusting that others may follow her good example.

That there is not sufficient government money in circulation is proved by the tightness of the money market in New York whenever the government calls for any amount of government money from it. A demand for \$10,000,000 in New York within three months past produced a panic in the money market in New York, and the operation of the gold bill passed by Congress, by which the delivery of the purchase money in gold transactions was to be made in government money, produced such a panic as has not been known in New York for many years. So great a panic did it produce that Congress thought it advisable to repeal the law. The pressure extended to our own money market and the money market of Philadelphia. I think if the gentleman from Kent (Mr. Chambers) will simply count up all the paper money we used to employ when gold and silver was the legal tender, and compare it with the amount of government money now in use, he will find that the amount of government money does not approximate to the amount of all the paper money employed before.

I wanted only to free myself from the idea of having announced that our banks are insolvent, and also from several other curious assertions which the gentleman from Kent has attributed to me.

Mr. PUGH. I indorse heartily a large portion of the remarks of the gentleman from Baltimore city (Mr. Cushing.) But I see some practical difficulties which may result from the adoption of this amendment, which he probably has thought of; if so, I would like to hear his views. The gentleman does not propose by his amendment to require the banks of this State to go into liquidation. That would be justice. If that were his proposition I should indorse it. But the whole character of this amendment is the character of special legislation, and to that I am opposed, although, as I said before, I am in favor of pursuing any course here which we can pursue to curb the extensive circulation of local banks in the State of Maryland and in all the States. Yet, while I am in favor of that, I am not in favor of special legislation.

Now, what will be the result of this amendment? Suppose I have stock in a certain bank in the city of Baltimore. If the character of that bank has ten years to run, I should consider myself in a very good position; if it had but two years to run my stock would