

...en to nine, and again is down to six per cent., according to the character of the paper and the rate in other places? Can you fix the value of money? You may legislate until you grow as old as Methuselah, and you can never possibly fix and maintain in a fixed condition the value of money. It will break away from all your restraints. There is no species of legislation by which you can tie it down. No human power can tie it down. The legislation of the world on this subject never has done any good and never will do any good. The old constitution, as it was, did not prevent the taking of seven per cent., eight, nine, ten, and even twenty-four per cent., as I am informed. The constitution never did prevent it; but it made men go into their closets, to do secretly and clandestinely that which they were afraid to do in the open daylight; not because it was a *malum in se*, not because there was moral turpitude in the act, but because the folly of the age had made that illegal which never ought to have been made so, for it had no moral turpitude about it. I have seen it in my own county, and the gentlemen from Baltimore city assure you that it is there the daily practice to pay even eight and nine per cent. One of the members of this house, who has been in business there for a great number of years, told me the other day that he believed he had never borrowed money there at six per cent.; but that was about the average, ranging from seven and eight down to five.

This legislation never does any good and never will. Let us make one step forward; and let us not be stationary in this old beaten track. The whole world is moving on. It will do no harm to leave men to make their own bargains; and that is all we ask. We do not ask you to put the poor men into the hands of the rich. You cannot legislate money out of the pockets of the rich man. You cannot force him to lend his money at six per cent. You can say that shall be the legal rate, but you never can force him to lend money at that rate. It is absurd. He will send it where he can get higher rates of interest. As the gentleman from Baltimore county (Mr. Ridgely) has just said, it is like water, seeking its own level. Wherever the rate of interest is higher there it will tend, just as certainly as water tends to run downhill. That is all we ask. I will withdraw my amendment. I have no objections to the amendment of the gentleman from Baltimore city (Mr. Abbott) or to that of the gentleman from Prince George's (Mr. Belt.) They are simply one a little more advanced than the other. But let us at least have some progress in this matter.

Mr. DANIEL: I will try not to occupy the time of the convention long. As has well been said, money will command its price, like any other commodity in the market. If

our fixing the rate of interest here would confine money to that rate, if it would prevent it from ever asking a higher rate, if it prevented men from being defrauded, there would be great justice in the plea that money ought to be fixed as urged by gentlemen here. But what is the experience of every man who knows anything of financial arrangements and business habits, especially in the large commercial cities? As I stated the other day, I know of my own knowledge that money is loaned every day in Baltimore on mortgage at from twelve to fifteen per cent. without any sort of scruple. A man advertises in the paper that he has got \$100,000, and men go to him and ask what he charges for it; and he will have no more scruple in telling you twelve or fifteen per cent. than any other man would have in telling you six per cent. Gentlemen ask how he will recover that; how the arrangement is made, I will tell you how it is done; and I know what I say to be the fact; and it is known to the experience of other gentlemen here. The gentleman says, "money is worth twelve per cent., and I will lend you money for twelve per cent." He deducts six per cent. as the premium, or \$60 from \$1,000, and then takes a note for \$1,000 and takes a mortgage for security at six per cent. interest for the \$940 which he pays. That is done every day.

Then it is asked whether he can recover the amount. What is the law upon that subject? If the man goes into court, it has been decided to be the law of Maryland that, unless he pleads usury and tenders the amount, the plaintiff can recover whatever he has contracted for. As I stated the other day, that has been decided in a case in Baltimore since the passage of our last constitution. Unless the defendant values his character so little, having gone into market and contracted fairly to give a certain rate, as to come into court and plead usury to meanly evade his obligation—and no man with any respect for his business character would ever do it—the plaintiff can recover even fifteen per cent. under his contract. Indeed I recovered eight per cent. the other day from a man who tried in every way to evade it, but although he was a great sharper and skinflint, he had too much respect for his character in the public market to plead usury.

There are other ways of doing it. The court of appeals have decided that you can buy up paper at any amount you please. A goes to B, and wants to borrow money of C. A makes a note to B, payable to B's order. B is merely a man of straw, a third man. B indorses it, and offers it to C. If it is a note of \$500, C says, "I will give you \$400 for that note." B puts his name on it and passes it over, and the money passes directly to A. It is all understood between A and C from the beginning. The court of appeals