

say that is not illegal; that you can buy up paper at any price you please. So the law can be evaded that way; and it is done every day. You cannot stop it. But you do this by fixing a certain rate of interest. You drive honest men to invest their money in stocks, which are more profitable, rather than put that amount of money into the market where the poor men can get it, and where the rate of interest would range lower than it does when you have it at a certain fixed rate. As I said to my friend from Howard (Mr. Sands) the other day, you put the poor men into the hands of the sharpers, because honest men will invest their money otherwise where they can get more for it; and the sharpers are the men who lend to the poor. You throw the poor men into their hands entirely, and they charge all the more for being obliged to evade the law, and for taking that risk. They have to pay men for taking the risks of the law and evading it; and they always have to pay more on that account.

I have stated what I know, that in the city of Baltimore some of the first banks, notwithstanding what the gentleman from Howard (Mr. Sands) may state about money not going out of the State of Maryland at this rate of six per cent. to go to New York for seven; some of the strongest banks in Baltimore have as much New York paper as they care about discounting at seven per cent. Some leading bank men tell me that they do not care about doing any business in Baltimore, and do not do anything except for their own immediate friends, for their accommodation, because they find at their counters in the morning as much New York paper at seven per cent., and as good paper as they can ask, as they can discount. And they are sending money every day to New York, because the rate is seven per cent. there and six per cent. here.

The argument of the gentleman from Howard that because men invest money in Maryland lands, and mines, &c., therefore money is plenty here at six per cent., is no answer to the fact that money is actually going to New York at seven per cent. For suppose that money is invested here; how long is it going to remain here? It goes into the hands of capitalists after it is brought here, and finds its way right back to New York and other places where the rate of interest is higher. Although it may come here, it will not stay here.

I will not detain the house longer. I shall vote with great pleasure for the amendment of the gentleman from Prince George's, because it does not raise the rate of interest, but simply allows contracts to be made up to ten per cent., saying they shall not go beyond that. It seems to me that that is as much as we could ask upon this subject.

Mr. BELT. As I said a short time ago,

this has always been a favorite subject of study with me; and I had proposed to myself, in case there should be a debate upon it, to deliver some remarks to the convention. I had prepared some minutes upon the subject, with a view to discuss it in its historical and financial aspects. But I did not expect the subject to come up to-night, and not having my notes here, and the subject having rather gone out of my mind, and not having at hand the authorities I intended to quote to the house in opposition to the views that I supposed would be advanced; and I have abandoned the idea of addressing the convention at any length; and will only make one or two observations in reply to gentlemen who have spoken.

The first impulse which I had to doubt the scientific accuracy of the policy embraced in the usury laws, was in considering the policy embraced in what are known as free-trade laws. It was in opposition to interference by the State with the natural laws of trade, no matter what the subject-matter of interference might be. We all know that in the early history of the country, not only in other nations but in our own, down to a period comparatively modern, the State interfered with all subjects, not only moral subjects like religion, but actually fixed the prices of articles; and the most ridiculous laws formerly existed in the colonies, until the light of political economy, which appears never to have entered the minds of some gentlemen, broke in and dispelled the cloud, and the sumptuary laws were repealed. It was my detestation of that policy of unnecessary interference by the State with matters of trade, that led me to object to interference with money as much as with anything else; with a bargain between you and me as to what we may choose to do with our money on the one side or to pay for it on the other; with a trade in money, as well as with the sale of cattle, a horse and carriage, or a house.

Arriving at an interest in this subject from these general views, I may say that I found them supported by every single modern authority of any weight; I believe, without a single exception, from the time of Jeremy Bentham to the present hour. Every one of any weight, who has written either in the interest of the strictly financial circles, or who has written in the interest of what may be called the commercial class, or who has written, as many of them have, in the interest of the agricultural part of the community, in England and elsewhere, no matter in what interest they have written upon political economy, yet in relation to trade and finance every single one of any weight has indorsed the principle of the absolute freedom of trade in money just as trade ought to be absolutely free in reference to its exercise on other subjects. I have never had any doubt on the subject in my mind since I first became ac-