

privileges that are not allowed to individuals. I have yet to know the State that grants privileges to corporations in their corporate capacity, that would not be allowed to individuals with an equal amount of money. If it is usury for an individual to loan money for more than five per cent., of course corporations cannot. Was the Bank of England organized to borrow money?

Mr. MILLER. Certainly.

Mr. NEGLEY. What does it do to-day? Every steamer brings to us the rate of discount at the Bank of England, not the rate of borrowing. At different times we find the rate of discount stated to be three, four, four-and-a-half, five, six and seven per cent.

Mr. DANIEL. It is up to eight and nine per cent. now.

Mr. NEGLEY. Yes, sir. Then the gentleman is in this predicament, if his law is correct; the government of England grants privileges to corporations that she denies to her citizens.

Mr. MILLER. Will the gentleman allow me to read the statute?

Mr. NEGLEY. There are other banks in England, and I suppose they are put upon the same footing with the Bank of England. They are chartered by the government, and I suppose are allowed to charge this sliding-scale of interest. Why is it permitted to the Bank of England? Because the fluctuations of trade require it. It is so in France; if money is abundant it goes down; if it is scarce it goes up. Is the Bank of England organized by the British government for a public benefit or a public nuisance? If it is organized and created for the public benefit, and I take it for granted that it is, then this privilege is given for what purpose? So that the wants of the public might be subserved; so that in a time of abundance of money they might get the benefit of it, by obtaining it at a low rate of interest. That is it! Suppose you fix a rate of interest that a bank may demand; sometimes it may be too high, sometimes it may be too low. A party can never obtain it for less than that rate; he is bound up to that sum; and the bank can and absolutely will not loan at a less rate.

I would like to see the law of Maryland conform to the law of Missouri on this subject. By that law the rate of interest is fixed at six per cent., but parties may agree in writing for the payment of interest not exceeding ten per cent. per annum, on money due or to become due on contract. Something of that kind should be adopted here; there ought to be a limit. Let the rate of interest be six per cent.; then give some liberty of choice, some freedom to persons who want money, but say that the rate shall in no case exceed ten per cent. The gentleman from Allegany (Mr. Thurston) proposes that it shall not exceed seven per cent. Look at what has been done by the government of

the United States. Did it not go into the market at the beginning of the war and offer seven and three-tenths per cent.; next its five-twenties at six per cent.; then its ten-forties at five per cent.; then back to six per cent., and now up to seven and three-tenths per cent. again? Why is this? Because of its need of money; that renders it necessary that it should change its rate of interest. Would it be right or wrong that the government should be tied down to offering a particular rate of interest? It is free to choose, and the rate is regulated by its necessities and its wants. If you were to tie the government down to six or five per cent., it might not be possible for it to borrow a dollar. It may have to pay more than seven per cent. bye-and-bye, we don't know.

And it is the same with an individual. His necessities may require him to have money, and it may be his salvation to get it at seven, eight, nine, or even ten per cent. I know a case in the city of Philadelphia, of a man owning immense quantities of coal lands; who, if he had not succeeded in getting money two or three years ago at more than ten per cent., would have been a broken and ruined man to-day. He got the money on those conditions, and to-day is worth a million of dollars. If a man thinks his financial affairs will justify him in giving six, seven, or eight per cent. interest, he will do it. And in God's name is not he, rather than this convention, the best judge as to his ability to give six, seven, eight, nine, or ten per cent.? Why not leave it discretionary with him? If you legislate upon the hypothesis that a man is not intellectually or morally competent to make a contract as to the value of money, you strike at the foundation of all competency for individual self-government. To that extent you strike even at the personal liberty of the individual; you interfere with his right to pursue his own happiness, and look after his own interest in the way he may choose.

These usury laws come down to us from antiquity, from the middle ages. We know that in the period of the middle ages, the money lenders, the Jews, were looked upon as outcasts; were not allowed to live in the heart of any city, but were kept outside, in their own peculiar quarter. So far did that prejudice go during the middle ages, that the Jews were denied the privileges of citizens on account of money lending. But we have outlived those prejudices, and in this country Jews are allowed the privileges of citizens.

But our constitution, as it now stands, makes this the paradise of money lenders, of Shylocks, because you guard their privileges; you make them a privileged and a prerogative class. You say to the citizen that he shall not borrow money, unless he does it through the instrumentality of the money changer. I say, let us go into their temples