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Banking Connects Trust and Anti-Trust: The English Clayton, American Clayton, French Refugee Turquand and British Native Bankers' Wars in Banking-Cause Individual History

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ABSTRACT

The Classical Economics asserted that money is a mere veil without being able to influence the economic activity inasmuch as economy always tends towards the employment of the able as well as the disable in suitable ways of personal likings without resorting to one's inner soul's prompted solutions / commands of resorting to Life's renunciation as a way and mean of convenient mode of conduct / integrity procedure for gaining edge over disadvantage and unsuccessful financial circumstances. However, global finance-studied economists of past and present origins have widely believed that not only money matters but also money materializes into eggs of money called income which is but a strong parasite of economic activity and this is their evolutionary economics in substance.

Virtually, there were wars between Classical Economics and Evolutionary Economics in multi-disciplinarian thoughts on how to change global order by deploying human mind. It appeals to human mind as to why not a quick revert to classical economics following appealing sentiment of Life's Future.

This Paper in light of above altruistic God-given life's doldrums of economic/banking/financial scope, but owing to human sentiments, believes that only Banking connects trust & anti-trust while studying the notable English Clayton, American Clayton, French refugee Turquand and the British native banker personalities' fighting spirits of multi-disciplinary role in the previous centuries.

Key Words: American, British, Clayton, Eggs, French, Refugee, Turquand, Trust, Anti-trust

1. Introduction

Banking has a place of prominence in the life of a civilization. Bankers do have fears, justifiable at times and not some other times. We, the human beings enter the civilizations in various parts of the World for owning our place of service to Banking without being able to realize what the future-banking-transformation does hold for the unchanging civilizations calling themselves either classical or conservative or cultural or traditional or even ancient to get rid of masses of boring banking information for it clutters their minds. Ultimately, civilizations *en masse* cannot assist their own development and increase their knowledge and chances because success depends on the individuals like the English Clayton, the American Clayton and the last but not least important the French refugee Turquand in England.

2. HISTORICAL RESEARCH METHOD (HRM)

Meaning, scope and relevance-wise Research Methodological Historiography (RMH) is the body of techniques and principles of historical research projecting historical authenticity culminating into historicity based on documented material from the past or evidence as a tributary of knowledge, namely, History as a Department of Faculty dealing in and relating to a particular people, country, language, customs and the past events thereof by way of systematic narratives describing the bygone past. This is the universal generalization uniformly applicable in letter and spirit to any branch of earthly knowledge, in fact, be it Science or Banking or Commerce or Accounting or Management or Administration of /by/for any Civilization.

We are comprehensive of the past by studying to determine and order facts from the narratives. These facts are processes and deciders in themselves shaping our existence, giving us a chance to know the people, actions, behaviors, choices, interactions and mindsets, shedding light on the circumstances of human conditions throughout past times. Examples are power, weakness, corruption, tragedy and triumph, representing the then virtual human conditions indubitable. That's how, one happens to learn about History in the denomination of so-called Political history, Economic history, Social history & Gender history corresponding to our existence making us trust in 'what is not in existence now was but in existence or existed already' as ages passed by. One can deduce that History's bottom line is to expose the complexity and plurality that populations lived with in the past tenth of the timeline. Recording ideas in experiences while differently relating themselves to the then world in their talk-about and thoughts, past civilizations created dynamic tasks for history itself to survive at all times to come.

The historical research method (HRM) is similar to a short note that it is fact-based and does have objectivity for its importance as a method. Removing all bias is its essence. Likes, dislikes, hopes and personal beliefs are crushed to pulp, as these are prone to bias for achieving zero-value bias. One should not be afraid of telling the truth, and no lies should be told. Data and inferences with their analytical compilation and composition should have neither bias nor prejudices. Fact, truth, objectivity and inference become highlighted ingredients throughout the historical method for research. Regardless of whether the evidence is small, small or small, it will lead to a large discovery in generality and a desirable discovery in particularity. Comparable to the actions of a local detective professional, the job in the historical method of research is one and the same as that in the Detective method. Historians and Detectives are trying to reconstruct grievances or Story that has not been actually observed by them. From a shred of evidence and/or multiple pieces of evidence, they can observe the attainment of truth as a system of their right.

Additionally, HRM has significance in relation to the investigation of social phenomena or sociology. It consists of a study of events, processes and institutions of past civilizations leading to contemporary social life. History and sociology are interrelated such that 'History is past sociology while sociology is present history'. Sociology implies studying human society and social problems. Social Science started from social heritage, while History is called Social Heritage. Social Heritage Research (SHR) exposes the roots leading our contemporary social life with Societies/Institutions/Processes of our time marking our Social Phenomenon/Sociology/Social Studies.

3. TRUST VS ANTI-TRUST: ENGLISH CLAYTON VS AMERICAN CLAYTON

This discussion from my pen has a banking historical dimension for us to realize how in a span of 100 years of difference, Trust in England and Anti-Trust in America boosted values for bank customers from England and for banking industry from America such that the entire World benefited from banking industry that belongs to customers and bankers .

The years 1816 and 1914, in England and America, respectively, are great for achievements made by two different individuals named same as the Claytons, one for the Clayton's Rule in England and the other for the Clayton's Act in America. Both Claytons , even though separated by different Continents and by a difference of 100 years in my time-graph obtained in India , made history as citizens of the then Worlds , whom I would like to nickname for the purpose of this discussion as the English-Clayton vs. the American-Clayton .

The English-Clayton was a bank customer in England in 1816 while the American -Clayton was a District-Judge .in America in 1914 which circumstances ended with the Clayton's Rule of Trust in England and the Clayton's Anti-Trust Act in America.

4. The English Clayton's Rule

The Clayton's Rule in Banking says that payments are presumed to be appropriated to debts in the order in which the debts are incurred. In other words, it is described as the first payments into an account are the first payments out of the bank account, simply put as the "First-in-First-out" (FIFO) principle but has made exception to the Trust-money or common pool of funds in custody of Trust Account with Banks in charge of Trustees who are presumed not to draw the Trust -money but their own money for personal expenses from the mixed-credit accounts, no matter when it was deposited.

5. The American Clayton's Anti-Trust Act

The American Clayton's Anti-trust Act laid down that labor of a human being is not an article of commerce or a commodity to be treated as while permitting labor Organizations/ Unions to carry out their objectives and collective bargaining using boycotts, strikes, picketing and protests to protect trade, industry & commercial activity from monopoly and unlawful restraints for merger of industries and combination of businesses to perfect the free competition among Companies.

More of the American Clayton making him a cherishable personality was that he had made the Anti-Trust Act in his capacity as the then Alabama Democrat of the United States of America and as such named after him establishing his credentials as a serving Democrat of causes and objectives of Democracy.

In today's banking world, the Clayton's Anti-Trust Act stands as a bedrock and withstood the test of time in all countries in the World from privatization, localization, nationalization, regionalization and globalization of banking business processes as well as the industry *per se* .

6. FRENCH REFUGEE TURQUAND IN LONDON VS. BRITISH NATIVE BANKERS FIGHTING

The French Refugee Turquand in London had created the Turquand Rule in English Banking

The History claims that the poor French protestant refugees arrived in England in the early 1700s and the Turquand Clan present among them came to England at the end of 1600s and early 1700s for settlement as refugees but made a solid name for themselves, of themselves and by themselves with the golden fame as the "Turquand Rule".

This discussion from my pen has an historical banking dimension looking to the development of Banking up to the modern times with an impact on the worldwide Company Law.

The impact was caused by an errant French Refugee, Mr. Turquand, while working as Manager for a London Railway Company in the year of 1856. He was consequently admonished and reprimanded by the then English bosses and masters along with the British Bankers for placing a cash-bond of the British Pounds 2000 with the Royal Bank of England as security in his official capacity as a Manager .

But, the errant Turquand was hailed as victorious in the Banking history in seeing to the end of the English bosses and masters and caused the collapse of the British Bankers of the Royal Bank of England subsequently. In the legal fightings that flowed from the events and following their principles of reputation for them, the British Bankers had to sue the Railway Company of Turquand for money in the same year in London.

7. THE TURQUAND RULE

In the Turquandcase , banking with the Royal British Bank by acting as a Manager for a London Railway Company , the French-born Turquand had created sensation that let loose mighty impact on the then Company Law in 1856 . This Law had a loophole that was in those days got ignored. The loophole was the defective manner of functional moral logic according to which there is always a moral right to assume that what appears to be in order is actually in order.

Soon after the fight with the Turquand legally was over, the British Bank collapsed in the same year of 1856 even though the Royal Bank's reputation was rescued and protected by the same defective functional moral logic aforementioned. The Bank took Constructive Notice of Turquand's Railway Company's Resolution in London that its Directors could borrow without specifying how much.

The Company Law is fundamental to the Western Democratic Order supported by an underlying moral basis that Rule of Law is better than that of an individual's in its random sense.

The Turquand Case led to the Turquand Rule was praised as an international standard setter resulting in abolishment of the Doctrine of Constructive Notice in the new Companies Act thereafter and was adopted by the Common Wealth Nations at the outset of their agenda for common wealth .

8. CONCLUSION

The fundamentals relating to paying and collecting bankers are essentials be well learnt. Banking is not difficult to learn but in several stages conclusive banking decisions should be approached without confusion. A conclusion is not to be Confusion, after all! Herein lie the decisions of money paid by mistake, forgery, payment to wrong persons, negligence of payment as well as non-payment combined while matters relating to executors and administrators politically raise the question set , particularly in connection with borrowing or continuing a business.

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