

exchange commands the needful ; but when that source fails there is no alternative but to call in loans, and force the trade into bankruptcy. Had the law extended to a bank of issue dealing in mortgages—in capital—the assets in which all loan societies deal,—embarrassment to the general public could never happen. Carskin was a model banker. His client, on being advised by him to go into business, demurred for lack of capital. His reply was characteristic ; you are but a novice not to know that pens, ink, paper and stamps, are all the business capital that is necessary in these days for success.

The capital of the landed property is made of no account,—fit only to be exported for borrowed money, and at such ruinous rates of interest, as shortly absorbs the principal, and limits the development of that most important field of labor—agriculture—the natural foundation of all national greatness.

Credit, unchecked by capital, fosters a negative economy. Not the capitalist, but his debtor, is made the banker ; who deals in negative property and issues a negative currency, because his assets are an unknown quantity ! Credit being made plus, makes capital a minus quantity ; and what are denominated securities are simply debts, and should have a minus sign. So an excess of imports is regarded as a favorable balance of trade. The same false principle sustains all the monopolies who get hold of property without paying for it. The active public are defeated, deceived, robbed, and mocked by a negative commercial system, which always gets the better of the honest borrower of money, and also the receiver of wages ; makes the rich richer, and the poor poorer !

Had we not better awake from this stupor, and rub the scales from the eyes ; put down the brakes and reverse the engine ? And learn to distinguish between fancy and fact ; shadow and substance ; negative and positive ; credit and capital ?

In "A Cronique of y<sup>e</sup> Olden Time," Gower relates of a prudent king, the old officers of whose household became dissatisfied because younger servants were promoted over their heads. The king, hearing of their grumbling, resolved upon quelling their discontent by saddling their demerits upon themselves. He ordered two caskets to be made, of outward appearance perfectly alike ; and after filling one with the precious metals from his treasury, the other he filled with stones and dirt. He had them placed side by side in his parlor, and sent for the malcontents, addressing them thus :— You complain of not having been rewarded for your long services ; but I wish to convince you that it is not altogether my fault. There stand before you two caskets, one is filled with treasures that would make you all rich, and the other is filled with rubbish. You have your choice, and see you don't commit the fault of refusing so much wealth ; but whichever you choose will be your own act." After some consultation among themselves they made their choice, and their master handed over the key to open it, which they did, and found therein stones and dirt. The king opened the other and gave them a sight of the treasure.

These foolish people were not so very blameable for having rejected so much wealth, because they were in a manner blind-folded ; but here in Canada are set before the people two dishes, not covered as were Timon's, but the contents open