

may do so, he will not be expected to discuss the causes and effects of actions with much fullness, and he will perhaps have done his duty if he merely indicates the events worthy of record and study. In any event, on this occasion it is the less necessary that the causes and effects of the recent panic in the United States should be set forth by me, as the senior essay in the prize competition of the year deals with that matter, and the paper by the winner of the first prize has been printed in our JOURNAL.

I will not, therefore, rehearse the facts connected with the crises in South America, Australia, Italy and elsewhere, during the last three or four years, and the effects in London and the bourses of Europe, which seem to have been a prelude to the American drama of 1893, although perhaps not in any very direct way contributing to it. The historical events in the United States, dating back even to 1836, the logical outcome of which was the terrific panic of last summer and autumn, are the real prelude to the drama, and I had the honor of speaking to you on that subject at the dinner of the Association in Toronto, although I have not yet quite reconciled my conscience to the unwarrantable advantage I took of your comfortable after-dinner condition in asking your attention at such a time to such a tedious subject. I will then, with your permission, merely sketch rapidly the leading events in the United States connected with banking and finance, and in another paper which I hope to read during this meeting I will ask your attention to one particular feature of United States panics, from the close study of which we in Canada may learn something.

In the closing days of the Republican administration the fear of trouble from the operations of the Sherman Silver Purchase Act was so strong that it was fully expected resort would be had to the power which the Secretary of the Treasury possessed to sell bonds in order to strengthen the Treasury gold-reserve. The gold-reserve which had maintained an average as high as \$200,000,000 throughout 1888, fell in the succeeding years as follows:

1889,	maximum	\$197,000,000,	minimum	\$182,000,000
1890	"	190,000,000	"	148,000,000
1891	"	149,000,000	"	117,000,000
1892	"	125,000,000	"	110,000,000