

ously drained of its money, could not but be disastrous. The result was, that by the end of 1859, the sheriff, the bailiff, or the Registry Office, held possession, or could show a lien upon, a large portion of the property of the country. In fact, so much of the property of the country was at that time thus held, that it became a matter of notoriety that a man was not safe in buying even a pig, unless he first went to the Registry Office and examined if there was not one or more chattel mortgages upon it. The intensity of the distress which then existed, was considerably increased by the ruin of our millers in 1857 and '58. Nearly all the merchant millers in Canada were ruined in those years, through the operations of our one-sided Reciprocity Treaty, as explained in the October number of this Review.

Those were most disastrous years to all classes in Canada—except the usurers—and especially to those engaged in manufacturing and commercial pursuits. That the wide-spread ruin with which Canada was then flooded, arose from a scarcity of money, no one can doubt; that that scarcity of money arose from over-importations, is equally certain. We are aware that it has been and is still attributed to our over-speculation; but it must be evident to all thinking men who investigate the subject, that if the people of a country speculate ever so much within the borders of their own country, and do not in their speculations have to ship the gold to other lands, that the money will get no less, or more scarce within their country. But if their speculations extend to other countries, and their money is drawn off from the country, as is now being done in England, through an over importation during the last three years of \$130,000,000, notwithstanding the vast increase of her exports, her imports have that much exceeded them, and now causes

the Bank of England to raise its rates of discount.

Those speculations will inevitably drain the gold from the country, and cause a scarcity; and, if carried too far, brings ruin on very many, and very often upon innocent parties; but so long as the speculation is confined to the exchange of money for property, or of property for money, or in the improvement of property within the country, and none of it is removed from the country, the money can get no less.

If the population should remain stationary and not increase, the average amount for each individual would always be the same, and men are not accustomed to let it remain idle. If there should be an increase of population, the average amount for each would be less, and consequently become more scarce to each individual, and yet the amount in the country be no less; but that is a contingency which cannot now materially affect the question in hand.

Whenever a country imports more than it exports, money will become scarce, therefore the kind of over speculation that we have to fear and shun is an over importation of foreign goods, for it was the over importation of foreign goods in the three years referred to, and ruin of our merchant millers as before stated, which caused the fearful commercial crisis which occurred during those three years.

The over importations caused a scarcity of money, the scarcity of money caused the crises, and then thousands of our able business men fled from our moneyless country to obtain food and raiment in a foreign land, and thousands upon thousand of our labouring classes followed them to the United States, to which we had previously sent so many millions of dollars. We have not the figures at hand to show how many, but our year's operations will give us a faint idea. The *Toronto Globe*, in a reply