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# Canada's Balance of International Indebtedness

1900—1913

AN INDUCTIVE STUDY IN THE THEORY OF  
INTERNATIONAL TRADE

BY

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## PREFACE

THIS study is intended primarily as an inductive verification of the general theory of the mechanism of international trade, and its treatment of Canadian matters is incidental to its main purpose. It should nevertheless prove of some utility to students of Canadian economic affairs. The changes in Canadian financial, monetary, commercial, and industrial conditions consequent upon Canada's participation in the war make 1913 the terminal year of a distinct period in Canadian economic history. It is mainly for this reason that I have made no attempt to carry this inquiry beyond the year 1913. The study of Canada's balance of international indebtedness during the war and post-war period would encounter problems which in many respects would be essentially different from those analyzed in the present inquiry; most important of all would be the effect on the mechanism of international trade of Canada's departure from the gold standard. Statements of fact in this study should be understood to be intended to apply to the period 1900 to 1913, and not necessarily to later years, even though no warning is given in the text of later changes.

I am indebted for assistance in gathering the statistical details upon which the present study is based to my former teacher, Professor J. C. Hemmeon of McGill University, to the Canadian Pacific Railway, to the Dominion Securities Corporation, Toronto, and to many kind government officials at Ottawa. To Professor F. W. Taussig, at whose suggestion this study was begun many years ago, and to whose kind and unflagging interest therein its final completion is due, I owe special thanks for inspiration, advice, and criticism.

JACOB VINER.

UNIVERSITY OF CHICAGO  
October 10, 1923

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