one hand as master (for the Corporation is often the largest employer of labour in the town), and on the other hand as representative, must make his position as guardian of the public purse a difficult one. Surely to leave the Corporations surrounded with these direct incentives to extravagance without any adequate check on their power to expand their functions and increase their borrowing is, to say the least of it, unwise.

Let us for a moment consider the United Kingdom in the light of a Banking Company, with its head office at Westminster, and branches in every town. We find that at the head office the rule, founded on the experience of centuries, is that no loans are granted out of the funds of the shareholders, except upon the unanimous recommendation of the Managing Directors, approved at a full Board meeting, while the branches (which the Managing Directors never visit, and the affairs of which the Board give no attention to) are engaged on a policy of extension, to meet which loans are being undertaken equivalent to those at the head office, and threatening to involve the entire resources of the proprietors, without any of the restrictions which long practice had imposed upon the more responsible chiefs. Surely the shareholders should say to the Board, " You must give these local managers a line, a rule to limit their enterprising tendencies, and one rule would certainly be 'avoid trade risks.' Lend money upon sufficient security if you like, where you are sure of getting it back sooner or later in meal or in malt and in the meantime sure of getting a revenue upon it, but on no account embark the funds of the bank upon the chance of an adventure which may or may not succeed. Leave all such risks to your customers. Let them have the profits as well as the losses of them."

If this would be sound policy for a bank finance, why is it not so for national finance? There are many reasons in favour of its