

had said that, "The opinion is widely diffused that it is a political engine of dangerous power, unsuitable to be vested in the executive of so young a Province, in which unhappily political and party strife have, during the late administration, made up one half the business of life." The connection of the Government with the bank was indeed a great advantage to the party which controlled both Government and bank. The Government share in the bank being entirely in their hands, it enabled them, even with their limited means, to control absolutely the policy of the bank. While the connection of the bank with the Government secured to it the profits on all the Government business. The Government connection also lent to the bank a position of dignity and credit difficult of attainment by an ordinary company. Thus the double advantage of the political and financial connection gave to the Compact a position so strong and well entrenched as to appear to its opponents, as well as its defenders, well nigh impregnable. This serves to explain, in part at least, the persistent attacks of the reformers upon the management of the bank. Yet this was perhaps the least vulnerable side of the Compact from the point of view of dishonesty or corruption.

The Family Compact, with all its faults, cannot be said to have been consciously dishonest in its frank monopoly of power and profit. It simply believed what the constitution of the Province taught it to believe. According to the constitution an aristocracy of Church and State was absolutely necessary to keep the democratic tendencies of the masses in check. This aristocratic element to be effective must be predominant in the wealth and political power of the country. Hence, in jealously guarding their political power, and in using their positions and influence to promote their economic ascendancy, the members of the Compact may be said to have acted in good faith, however disastrous their action may have been for the country as a whole. However false their ideal, their morals were not necessarily corrupt. Thus, with all their anxiety to maintain the Bank of Upper Canada as a close preserve, there is no evidence that the directors and officers of the bank were other than strictly honourable and honest in all the details of the bank's operations.

Notwithstanding the high reputation of the bank among the business men of the Province, the more radical element