

This arbitrary call upon the resources of the impoverished farmers was an eccentric financial operation in the ostensible cause of assistance, but it produced a capital of 169,028 piastres. The rate of interest upon loans to individuals, or for particular districts, for the purpose of destroying locusts was 8 per cent. previous to the year 1875, and was increased to 12 per cent. since that period. Receipts for all sums borrowed for the public benefit of locust destruction were signed by the head-men and members of councils of villages.

At first sight the establishment of an agricultural bank sounded propitious as a step in the right direction, but, according to the conditions of all loans, it became usurious, and saddled the unfortunate farmers after a few bad seasons with debts that could never be paid off. If X borrowed £1000, he received only £880, as the year's interest was deducted in advance, but he was afterwards charged compound interest at 12 per cent. upon the whole £1000. Compound interest at 12 per cent. means speedy ruin.

Upon an examination of the accounts, the whole affair represents apparently large figures in piastres, which when reduced to pounds sterling presents a miserable total that proves the failure of the enterprise. As I have already stated, a "bank" could not succeed in Cyprus if it were established specially to benefit the agriculturist; money can always command 10 per cent., while the farmer should obtain the loans necessary for irrigation at a maximum of 6 per cent. if he is really to be encouraged. This can only be accomplished through a Government or National Bank, expressly organised for the purpose of developing the agricultural interests. As the