

CHAPTER II.

THE PRACTICAL WORKING OF THE PLAN.

PRIOR to the introduction of *Geographical Distribution of Capital*, one good investment was considered as suitable for any investor's purpose as another, provided that it appeared to afford ample safety and returned the required yield.

The quantity of any stock held was deemed immaterial, so long as too large a portion of the capital was not staked in a single enterprise.

A predominant holding of so-called "gilt-edged securities" was favoured, their low yield being frequently augmented by the addition of a number of inferior investments which gave a larger return. To these stocks of varying qualities a few entirely speculative ventures were sometimes added as likely to increase the capital.

The bulk of the money was placed at home, as this was considered to be the only thoroughly safe country to invest in. Foreign countries, and even British