

Britain for redress if injured, and that if the question of title cannot be arbitrated there is nothing to arbitrate, is really impregnable. Mr. Morley does not say so, but he evidently thinks so. He points out, however, that Lord Salisbury and Mr. Olney are really coming close to agreement by concession. The first says (we quote Mr. Morley's summary): "I will not promise to accept the line which the arbitrators may find to be the true boundary, if it should prove to hand over to Venezuela lands in the occupation of British subjects. But I shall feel myself bound not to disregard any recommendations which the arbitrators may make as to these occupied lands, and which seem to be 'calculated to satisfy the equitable rights of the parties.'" Mr. Olney says: "Let the arbitrators draw the true boundary on the historic and legal merits of the case; if the arbitrators find British subjects in occupation of what, on the merits of the case, is established as Venezuelan territory, such weight and effect shall still be given to this occupation as international law and the equities of the particular matter may seem to require." With mutual desire for a settlement, parties who are as close as this should be able to come to a settlement. That Lord Salisbury should invite comment and advice upon a diplomatic correspondence not yet closed is not merely a novelty in international affairs, it is an indication of an appeal to reason and common sense in place of the old reliance on national selfishness and political intrigue; that his invitation should have elicited such a reply as Mr. Morley's is alone enough to have vindicated the wisdom of his unusual course.

In a recent interview with the correspondent of a Chicago newspaper, the Hon. Wilfrid Laurier, Premier of the Dominion, indicated the policy of the new Liberal Government with regard to the United States. His statement, which was doubtless meant to be authoritative, referred to several questions which have caused friction between this country and its northern neighbor for some time; such as closer trade relations, fisheries, the coasting trade of the lakes, the alien labor law, and the bonding privilege. The question of deep waterways was also mentioned. All these matters should, to quote Mr. Laurier's words, "be taken up together and dealt with in a broad, serious, and comprehensive spirit, on one anvil." As regards trade relations, he is prepared to make an arrangement with the United States for the free exchange of such natural products and manufactured articles as could be agreed upon. This goes further than the Reciprocity Treaty of 1854, which was abrogated at the close of the Civil War. With regard to fisheries, Mr. Laurier favors an arrangement resembling that effected under the Treaty of 1854 and the Washington Treaty of 1871, whereby the ports and inshore waters of both countries were made free to the fishermen of both on equal terms, and the markets for the fish of both countries also made equally free. The question of deep waterways is now acquiring great importance in the Dominion, and those who favor the scheme are making vigorous efforts for its practical recognition by the Government. Mr. Laurier expresses the hope that the United States and Canadian Commissioners who are now considering the question will report a practicable plan whereby the twenty-foot channel which is now open for vessels between Buffalo and the head of Lake Superior will be continued to the Atlantic seaboard. He favors the joint participation of the United States and Canada in this great work, as well as a joint control of the waterway system when completed—a control, however, which must in no way compromise the sovereignty of Canada over its own territory. These are questions of great and far-reaching

importance; that of the waterways is especially so. Its chief benefit would be the lessening of transportation charges to the farmer of the Canadian Northwest and to the farmers of our Western and Northwestern States, and it would result in increasing the profit from their grain. Mr. Laurier may, we think, rest assured that his friendly policy and straightforward declarations will be met by the United States Government in a conciliatory spirit, and we cannot doubt that more cordial political relations between the two countries will be thereby inaugurated.

The vexatious and protracted Manitoba school question is at last nearing settlement. Three Ministers of the Manitoba Government have recently conferred with the authorities at Ottawa, and an agreement is stated to have been arrived at between the Provincial and Dominion authorities. It has not been published, but there is a general impression, against which no contradictory evidence has been given, as to its main features. In the first place, Manitoba will not recede from the position already taken on the main point—the abolition of separate schools as a part of the educational system. Second, the Dominion Government, in accordance with promises before the election, has definitely abandoned the policy of coercion, and will proceed to act in a conciliatory manner regarding the details of the proposed settlement. The question thus becomes one of compromise between Manitoba and the separate school party. The main terms of the compromise are as follows: The Provincial Government, while declining to re-establish separate schools, offers to allow religious instruction in any school at a certain time each school-day of the week, and these religious exercises may be ordered by the Board of Trustees or introduced by petition of the ratepayers. One or more denominations are allowed to agree upon a form of religious exercises, and the offer includes an agreement to pass legislation compelling school boards to employ one Roman Catholic teacher for every fifty Roman Catholic children, and one Protestant teacher for every fifty Protestant children. Another concession is that, in districts in which French is the language of the children, teachers must employ the bi-lingual system of teaching French and English. The fact that the above terms are substantially the same as were offered by the Manitoba Commissioners some time ago is a strong presumption that they will afford a basis of final settlement now. They will secure a large share of Roman Catholic control over the children of Roman Catholic parents. The clause referring to petition by the ratepayers will secure the appointment of a Catholic teacher whenever the proper conditions are complied with. Already in the Canadian press there is a disposition to regard the school question as removed from federal politics.

The German Reichstag has passed a sensible law restricting essentially gambling operations upon stock exchanges. The new law forbids stocks and bonds of corporations to be listed on the exchanges until the corporations have published at least one year's profit and loss account. Government officials are to require from the companies in question a full statement of their financial condition, for which the directors of these companies are to be held personally responsible. If this statement proves to contain falsehoods, or to have omitted important facts and thus misled investors as to the value of the stock, the directors are made liable for any losses incurred by the buyers. Such an act as this will not only prevent the robbery of the investing public by the promoters of companies whose affairs will not bear investigation, but it will also

prevent the directors of companies whose property has a real value from possessing so great an advantage over outside investors. Such companies as most of the American Trusts, for example, would be required to submit a sworn statement of assets and liabilities, profits or losses, and the public would have practically the same opportunity as the directors of estimating the real value of the stock. It would be impossible for directors to force the market value up by declaring unearned dividends and then to force it down by passing earned dividends, profiting both by the rise and the fall at the expense of the general public. In short, it would make purchases of stock exchange securities partake less of the nature of gambling and more of the nature of investment. Such a measure will certainly appeal to all those who have supported the American bills to prevent gambling upon the exchanges, and it is to be hoped that in the future the protection of the investor as well as the protection of producers will form a part of the legislation against the illegitimate operations on our exchanges.



On Wednesday evening of last week, at the Madison Square Garden, Mr. Bourke Cockran replied to the speech delivered by Mr. Bryan in the same hall the week before. There was an immense audience present, and the speech was received with enthusiasm. Mr. Cockran took the position that the vital issue in this campaign was the effect of the free coinage of silver upon the wages of labor. He declared that the free coinage of silver meant a fifty-cent dollar. The value of gold, he said, would not be lessened; all the governments in the world could not affect its value. The value of silver would not be raised; the silver mine-owner would "get cheated with the rest." The coined silver dollar would merely have the present value of silver bullion; the price of products would double, and the laborers would be the sufferers. In reply to Mr. Bryan's argument that the laborers would receive more employment under rising prices than under falling prices, Mr. Cockran said that this was merely another way of saying, "If the laborer is willing to have his wages cut down, he will get more work." Mr. Cockran maintained that wages would not rise as rapidly as prices, and therefore the laborer's real return would be lessened. In reply to the argument of the free-coinage advocates that it was the creditor class they wished to reach, Mr. Cockran declared that the laboring class was the principal creditor class. "The laborer," he said, "is always a creditor for at least one day's work." The bankers, he declared, were not creditors, for, despite their capital and surplus, they must keep in reserve twenty-five per cent. of the money lent them by their depositors. The laborers were the great creditors; their wages were the first mortgage upon the earnings of every corporation and every individual employer. "This proposal of the Populists is an attempt to enlist the farmer in a conspiracy to reduce the wages paid to labor." The men back of it in the West and South, he said, were the "professional farmers who want to pay low wages, and the unreconciled slaveholders who would like to pay no wages." The laborers, he said, were benefited by falling prices, and the men who supported the gold standard and falling prices were the men who supported an increase in labor's share of the product of industry.



Mr. Bryan delivered a second political speech in the town of Tivoli, N. Y., on Saturday of last week. In the main it was a criticism of the position of his opponents. He declared that they were divided upon every point, and had no remedy to offer for the evils of our present finan-

cial condition. They were divided, he said, as to whether the gold standard was a good thing which the country ought to retain, or a bad thing which the country was to get rid of through an international agreement. They were divided as to whether the free coinage of silver should be denounced because it doubled the value of silver to the mine-owner, or because it would not raise the value of silver at all, and simply lower the value of a dollar to fifty cents. They were similarly divided upon the question of falling prices. One speaker declared that there had been no fall in prices, and the next speaker that it was the greatest blessing in the world to have prices fall. In reply to the criticism that the advocates of free coinage were similarly inconsistent in declaring that their policy would furnish relief to the debtors and at the same time maintain silver dollars at par with gold dollars, Mr. Bryan said that the free coinage of silver would lessen the demand for gold as well as increase the demand for silver, and that it would bring relief to the debtors through an increase in the currency. The fundamental principle governing the currency, he said, was as simple and clear as the fundamental principle governing irrigation. In irrigation it was simply that water flowed down hill; in currency it was simply that the value of money, like the value of everything else, depended upon the law of supply and demand. If there is a relative increase in the supply of the currency, its value falls and prices rise; if there is a relative decrease in the supply of currency, its value rises and prices fall. Every voter, he said, was able to determine whether he would be benefited by the policy which meant higher prices and cheaper money, or one that meant lower prices and dearer money.



Mr. McKinley the same day delivered at Canton a speech somewhat longer than usual to a visiting delegation of twelve hundred voters from Pennsylvania. He said that there were two issues in the campaign. One was a return to the tariff policy under which the Nation prospered, and the other was the avoidance of the financial policy proposed by the party responsible for the tariff policy under which the Nation is now suffering. The wing of the Democratic party which controlled the Chicago Convention, he said, "is just as much in favor of free trade as the wing of the Democratic party in control of the Administration." "Most of those prominent in that Convention were conspicuous leaders in the assault upon our industries and labor made by the Fifty-third Congress. They are devoted to this un-American and destructive policy, and were chiefly instrumental in putting upon the statute-books tariff legislation which has destroyed American manufacturing, checked our foreign trade, and reduced the demand for the labor of the American workman." This wing of the Democratic party, he continued, having "cut wages in two," now wants to "cut in two the money in which wages are paid." "The other wing of the Democratic party," he said, "is patriotically standing for the public honor, and is opposed to free silver, because it believes that such a policy would disturb existing values and contract the currency of the country by depriving us of the use of gold and putting us upon a silver basis." "What we want," Mr. McKinley declared, "is business activity and confidence. With business confidence restored, money will be invested in private and public enterprise, and when so invested labor will be well rewarded, and the toil of the husbandman will be fully requited. Without confidence money will be hoarded and the wheels of industry stopped, and what that means many of the men before me know. . . . We cannot restore confidence by a proposition to debase