

He was one of the political appointees, paid 100,000 marks yearly for presiding. The State railroads have to find 80,000,000 marks by next December, and have in addition to produce another 100,000,000 marks under the Dawes Agreement. With a staff of 740,000 there exists a pension list of 323,000 persons.

#### BELGIUM'S POLITICAL IMPASSE

BELGIUM, which has just emerged from a general election, faces a new one in the immediate future. The situation is of more than local significance as illustrating the perils to popular government involved in proportional representation and in the existence of political blocs. The three chief Parties are the Socialists, who are growing stronger, the Conservative Clericals, who are nearly but not quite holding their ground, and the Liberals, who in Belgium, as elsewhere abroad, are sinking to a hopeless but belligerent minority after a long career of political supremacy. No one of these Parties commands a parliamentary majority, and none of them will coöperate with either of the others. Consequently it is impossible to form a ministry that will receive the support of Parliament. After more than a month of negotiation the Clericals made the effort, only to be defeated the moment they faced the Lower House. Yet under proportional representation it is more than probable that the Parties will be returned after the next election with about the same strength that they have at present. The press of all Western Europe has watched the situation with interest, and opponents of democracy point gleefully to the headless government in Brussels as an example of the failure of parliamentary institutions. As *Le Temps* says:—

The situation in which Belgium finds itself is without precedent in the history of constitutional and parliamentary gov-

ernment. It is absolutely impossible to form a cabinet that will receive the support of a majority in the House, and it is equally certain that a new election will leave things in precisely the situation they are in at present.

#### CHINA'S TUTELAGE

FRANCE has been an exacting creditor of China in the matter of the Boxer indemnity. She has insisted that her share of this indemnity be paid in gold francs—a claim that China has resisted. In order to bring pressure on the Peking Government France has refused to ratify the Washington Conference Treaty permitting China to increase her customs duties. Now an arrangement has been reached by which the sum of money in dispute is to be loaned by the Chinese Government to the bankrupt French Banque Industrielle de Chine, whose failure a few years ago caused one or two important changes in the Paris Foreign Office. The settlement of this controversy is greeted with mixed feelings in Japan, whose trade is likely to suffer somewhat from the proposed increase of the Chinese tariff from  $7\frac{1}{2}$  per cent to  $12\frac{1}{2}$  per cent. The *Japan Chronicle* comments on the settlement as follows:—

There is something wrong when a single nation can withhold from China a right to which all the rest agree that she is entitled. That is what France has done in reference to the proposal to permit China to raise her customs rate to  $7\frac{1}{2}$  per cent and possibly at a later date to  $12\frac{1}{2}$  per cent. The French Minister at Peking has described as 'inaccurate' the report that the Chinese Government was forced to agree to the French terms regarding the Boxer indemnity payments in order to get France's consent to the rise in the customs increase, but the statement issued by the Chinese Government and summarized in a telegram to-day is practically a confession that that view of the negotiations was substantially

accurate. All the other nations concerned had long before agreed to the calling of the special customs conference in accordance with the Washington Agreement for the purpose of permitting the rise in rates. But France stood out, insisting on a quid pro quo in the form of consent on the part of China to the payment of the French share of the Boxer indemnity in gold, not paper-franc values. It is not easy to fathom the meaning of all the details of the new agreement, but it is clear that the chief beneficiary is the Banque Industrielle de Chine, which is to get a loan from the indemnity fund at 5 per cent. Such a low rate of interest in China at present amounts to a subsidy. The Peking Government appears to have yielded to the French demands simply because it wanted the additional revenue from the customs.

*Osaka Asahi* says that 'France is to be admired for her wise decision' in withdrawing her claim to have the in-

demnity paid in gold francs. Some Chinese papers suspect that their Government has derived no real benefit from the concessions *per se*—an opinion that may be due to the fact that the terms of the agreement are too complicated for the average lay editor to understand.

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## MINOR NOTES

APROPOS of the British budget, the progress of industrial and old-age insurance in Great Britain within a decade is suggested by the fact that employers already bear a charge of £36,000,000 a year for unemployment insurance, and £26,000,000 a year for health insurance, to which additions of between £14,000,000 and £20,000,000 will be made under the contributory provisions proposed by Mr. Churchill.

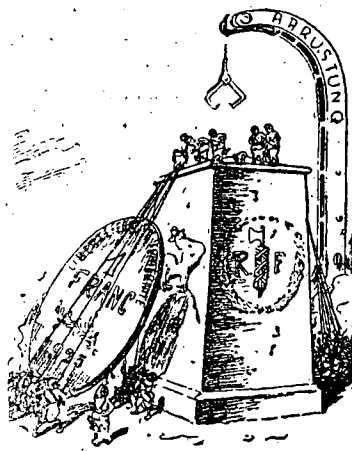


A GERMAN INSULT

POINCARÉ. Parbleu! This is too much!

MARIANNE. What's the matter?

POINCARÉ. A letter of thanks from Hindenburg!—*Sera, Milan*



THE UNUSED CRANE

'Eyes have they, but they see not.' (The crane that could raise the franc is Disarmament.)

— *Kladderadatsch, Berlin*