

FOREIGN INTELLIGENCE.

FRANCE.

Between France and England the great attention paid to semi-official indications of policy, or what are held as such, shows the suspense and anxiety of the public mind. The remarkably pacific speech of the Count de Morny, seems to have oscillated too far in the opposite direction from that warlike article of Granier de Cassagnac a fortnight previous, and overshooting the mark, to have failed, in some measure, of its intended effect. The Count was thought to "protest too much" when he claimed such transcendental disinterestedness, for French policy, and although his appeal to English feelings, in favor of a friendly rivalry in the arts of commercial and national civilization, was skilful, yet his insulting imputation of sordid motives to English statesmen and English journals in their advocacy of attention to the national defenses, was calculated to give, and has given, offence. But chiefly his startling assertion that the French journals are as free as the English and as independent of Government in the utterance of their opinions, seemed to cast discredit on all else he had to say. It may, however, be true prospectively. The amnesty is not the only symptom of a relaxation of the imperial compression under which France has been held for late years. This very week the Parisian public has read in the very *Constitutionnel* itself, like flies in amber, letters with the once familiar signatures of the old Republican leaders of 1848. The things, indeed, themselves, are "rather rich nor rare," but how they got there is a matter of surprise. A week or two back it would have been as much as any paper's life was worth to print such contributions. More than this, *La Presse* comments upon M. de Morny's speech in a style that reads like a literal translation from the *Times*. All this looks as if the shackles were really to be taken off newspapers. Wonders will never cease. A great continental imperialism, with a free press, will, indeed, be a new thing under the sun. This concession, if it be one, cannot come alone, it must involve much more. To return to M. de Morny; his speech has been maliciously contrasted with his conduct at the Coup d'Etat of December, in which he was one of the four subordinate agents; and in which he proved himself as secret, grave, and discreet a counsellor as the dead Polignac, and seconded so effectually the disavowal of the Candidate for empire. Another feature in the week's manifestations is the article of M. Grandguillot, of which very much has been made as an official pledging of Napoleon III. at once to non-interference in Italy against the insurrectionists, and to interference against Austria should she offer to espouse the cause of the Governments. We have elsewhere expressed our opinion that it is nothing of the kind; but it is to be remarked that even there nothing is said specially in reference to the Legations.

A correspondent from Geneva writes to the *Gazette de Lyon*:—"It is certain that Savoy will be noticed at Zurich. No one supposes that this time its condition of political existence will be changed; but nobody either can believe that the real grievances of this province, against the Cavour government and the revolutionary movement which carries away the house of Savoy in Italy, will not be seriously examined. . . . In spite of the gold distributed abundantly, and the manifest assistance of the Cavour government, the Biblical Society has made no conquest in Savoy. The firmness of the Sarasinian parishes annexed to Geneva, in 1816, prove the fidelity of the country. The new Catholic Church of Notre Dame at Geneva is to be consecrated on the 8th inst."

The Paris correspondent of the Belgium journal, the *Universel*, says:—"The governments of France and of Austria are determined not to recognise the legality of the manoeuvres employed in the Duchies by the revolutionary governments. When the treaty to be concluded shall have stipulated the recall of the princes, France and Austria will demand that a complete, sincere, and free appeal be made to universal suffrage. The occupation of the French army will be prolonged so as to secure that free manifestation of the wishes of all the inhabitants of the Duchies, and not merely of a minority of intriguers, nobles and citizens, who decide the destiny of a nation without the concurrence of the people."

Letters from Geneva represent in the darkest colors the industrial and commercial situation of Italy. Failures are numerous. One of the principal houses of Geneva has lately failed for the sum of three millions of francs.—*Gazette de Lyon*.

The *Independent* of Aosta has been added by the Piedmontese government to its destructive razzia against the Catholic press.

The *Gazette de France* announces that the venerable Bishop of Piacenza was protected against an attack of the revolutionists on his palace, by a body of French troops. On the following day a French soldier was fired at by one of the assassins.

The *Année de la Religion* speaks of several priests having been shot at Ravenna.

The *Gazette de Midi* says of the Romagna that "every day ecclesiastics or laymen suspected of attachment to the Pontifical government, are subjected to outraging perquisitions and thrown into prison. Foreigners are longer allowed to enter the country." The correspondent of the *Unites* was arrested in Faenza.

The *Times*' correspondent writes:—"I recommend to your attention an article in the *Constitutionnel* of to-day. That journal now, for the first time, has got authority to speak out plainly against armed intervention. The article has all the appearance of being semi-official. The following are extracts:—"We have hitherto abstained from taking part in a discussion which we considered premature and as sterile as irritating. When, however, the moment for expressing an opinion on that grave incident arrives, it seems to us that it will be easy to do so in a few words. The Emperor at Villafranca accepted, without any sort of repugnance, the restoration of the princes. At the hour of reconciliation he was unwilling to remember that at Solferino some among them were in the ranks of his enemies. What, in fact, did that matter to him? It was not against those princes that he directed his arms, but against the political system of which they were the accomplices or the first victims. The system once vanquished, why prolong resentments, the motive of which no longer existed? Was a war of principles to be changed into a war of persons? That would have been to fall too low."

As the Emperor Napoleon had entered Italy to achieve the independence of a whole people, and not to favour some local revolutions or to aid indirectly in the expulsion of some petty princes, he was not opposed to the return of the latter. He conceived that having had a severe lesson they would be inclined to grant salutary reforms, and that in that manner their restoration would prevent new political complications. If the reforms proved sufficient Central Italy would be spared those scenes of agitation which sometimes afflicted even the most powerful kingdoms:—"It was with that generous object," says the writer, "and more for the sake of the population than for that of the Princes, that the French Government, faithful to its promises, caused the language of reconciliation to be employed in the three duchies. It has not yet abandoned all hope of success, and it will endeavor to the end to fulfil loyally its disinterested mission. "But if it should not succeed, what will it do? It is asked with strange persistence. 'Do not,' it is said, 'the services which France has rendered to Italy authorize her to offer something else than counsel? To give orders perhaps, and to make menaces, to be soon followed by acts? No; France is not a gendarme in the service of Princes against the populations. She endeavors to unite them in a mutual and profitable accord, and will not do violence either to one or the other. By what right, by

what means could she act between them? By an armed intervention! But that would be to walk in the path of the old Austrian policy, which was defeated at Magenta; it would be to exercise the right of intervention, which was torn to pieces at Solferino. It is not consistent either with the dignity or honor of France to do herself what she condemns in others. Austria has lost for ever the profitable monopoly of armed intrusions in the affairs of the Peninsula, and we will never claim it for our own advantage. If at Rome an army of occupation is charged with the mission of protecting the Sovereign Pontiff, it is because there is at Rome not only an Italian Prince in presence of his subjects, but the Pope, the father of all the faithful, whose repose and security it is important to us to secure. At Rome we do not defend a private cause; we defend in the interest of France and in that of Italy herself the cause of Catholicism. Everywhere else the Princes are subject to the common law, and that law requires that no one shall place himself between them and their people. As friends, whose devotedness ought not to be forgotten, we believe that we have more right than others to give to the populations of the duchies advice which we consider wise and prudent. If they do not follow it, we may feel regret, but we shall never endeavor to impose it on them by force. In a word, Italy owes to us its independence, and we will not take back to-morrow what we have given to-day."

The Conferences of Zurich are not yet closed, and nothing is reported officially of their proceedings.—The latest intimation is that "uneasiness is felt respecting them." The plenipotentiaries have been deliberating in pairs: France with Austria, and Sardinia with France, but not Austria with Sardinia. One difficulty probably is the settlement of the financial affairs of Lombardy, Sardinia wishing to get the rich province free of encumbrance; but the main hitch is, if we may believe the *Times*, the question of the Duchies. The Emperor, it is said, "agreed as to the propriety, or rather the necessity of restoring the two Dukes, but diverge on the means of setting about it." Piedmont is still ready, we are told, to accept the annexation spontaneously offered.

ITALY.

What may be the effect of this cruel state of uncertainty on the public mind throughout Italy, is more than the most lucid intelligence could well conceive or describe. The helpless perplexity and egregious imbecility of the diplomatists met at the Zurich Conference, if, on the one side, it may be said to have befriended the Italian in so far that it allowed them leisure for the expression of their unanimous vote, on the other it has had the fatal effect of fostering hopes which may eventually be rudely dashed to the ground, and of increasing the enormous difficulty of preserving, not perhaps public order, but that singleness of purpose and unity of action on which alone the realization of the most modest of these hopes may eventually depend. It requires no great stretch of uncharitableness to charge the Emperor with a settled intention of gaining time, and calculating the chances which the slightest disorder offered to him of escaping from the awkward dilemma in which he has wilfully placed himself, so as to render the realization of his hidden designs a matter of apparent necessity. A Red Republican riot at Parma, an *effray* of fanaticized peasants at Modena, an unlucky stab in the Romagna, no matter by whose hand struck, would suffice, as the Emperor well knows, to turn the tide of popular opinion throughout selfish and sceptical Europe, and raise against the Italians that senseless, indiscriminating outcry, which determined the sacrifice of Italy in 1849, when the Emperor Napoleon would have sent *carte blanche* to settle Central Italy as he then settled Rome, or would have, at the utmost, only to compound with perplexed and stultified Austria—a matter of but trifling difficulty. No such disaster as the Emperor apparently reckoned upon has as yet taken place, but the elements of social decomposition are everywhere apparent, and farsighted patriots here are a prey to the anguish of the sorest misgivings. Already the corps of General Mezzacapo, that corps of 10,000 natives of the Romagna, on whom I bestowed such high and well-deserved praises,—that corps which had cost so much money, and such endless trouble to arm, equip, and organize,—that corps which would, no man ever doubted, to have behaved heroically if brought into action upon the fields of Lombardy, when removed from the idleness to which he was doomed in Tuscany, to the worse than idleness to which he was condemned in the Romagna, gave such rapid symptoms of decomposition that it was deemed expedient to dismiss all the soldiers who remained reluctantly in the ranks, a measure by which two large brigades have been reduced to two very thin regiments. Already the able and brave Mezzacapo has thrown up his command, and his place has been filled by a man of inferior capacity and no experience whatever. It is not merely because the falling off of so many defenders of the country leaves the Romagna exposed to the attack of the Pontifical troops that such an event is to be deplored; not so much because the scanty resources of the country have been improvidently lavished to no purpose that the disorganization of that excellent Romagna youth is to be lamented; it is because, in the first place, such a backsliding of these Italian champions evinces a decrease of confidence in the cause of the country, and also because the dispersion of so many hot-headed characters through these revolutionized districts increases a hundredfold the chances of those nameless disorders upon which the enemies of Italy are fiendishly calculating.

I did not expect that my worst forebodings as to the impossibility of keeping those troops of the Romagna in good trim as long as they were doomed to inaction would be so speedily realized; but those troops, and the Tuscan division, and the volunteers now mustering in the Duchies, are, it must not be forgotten, revolutionary forces; and it is in the nature of all revolutions to be either aggressive or suicidal. The influence of the cool and collected mind of General Fanti and the prestige of Garibaldi's name may yet achieve wonders; but, unless these patriot soldiers are led either against Rome and Naples or against more formidable enemies, they will soon be not only unfit to defend the country against domestic and foreign foes, but they will themselves be turned into instruments of public mischief. It is in the nature of all stagnant water to rot, and the intense heat of the weather, rendering even the constant practice of military manoeuvres an impossibility for at least 10 hours of the day, has necessarily encouraged among this militia that idleness from which all evils spring.

I know my Italian friends will hardly forgive me the uncharitableness with which I lay bare their sores before the world, but the time may come when all these destructive elements will lead to some grievous catastrophe, and then it will be just as well for them if Europe is well acquainted with the cause which led to it, and lays upon the imperfections of the Italian character and its "incorrigible anarchic propensities" no more blame than they deserve. I say, without fear of contradiction, that no nation in Europe could have contrived to preserve a more admirable order than the State of Central Italy have maintained, or shown more aptitude for self-government than they have evinced under the most trying circumstances for the last three months. I think heartily thanks are due to Providence for it no less than most unqualified encomiums on the Italian people themselves. At the same time I firmly believe that Providence should not be tempted and Italian endurance tested too long. I cannot suppose that those who wielded the destinies of Italy since the preliminaries of Villafranca ought to be held blameless for the evil to come as the Italians themselves. I am confident Europe should unhesitatingly ascribe such evil to the double-dealing and insidious oracular language of those who blow hot and cold in the same breath, who virtually called upon the Italians to be free at the very moment that their en-

slavement was heartlessly bargained for and irrevocably sealed.

It is very evident that Italy aspires to independence through union, and looks upon Piedmont as the only possible basis of that union, while the result of the whole movement of 1769 will be so to place Piedmont as to crush it utterly in the collision between France and Austria, and so to dispose of Central Italy that what is lost to Austria should be secured to France. Let England, Prussia, and Russia look well to it. Austria herself helpless, and when Prince Jerome is crowned at Florence, and the Pope is propped up at Bologna by the some bayonets which keep him up at Rome, the only chance of counteracting French omnipotence will rest on the character of Prince Napoleon, and the temptations held out to his ambition to play the part of a miniature Marat, and aspire to emancipation from the toils of his overbearing cousin.—*Corr. Times*.

Latest accounts from Rome speak of the political situation there as deplorable. According to the correspondence from Paris and Bologna, an immediate effort on that part of the Papal Government to put down rebellion in the Legations was expected, and the military arrangements were in a forward state, so that news of decisive action may be shortly looked for. Should this really take place, we may expect an outburst of indignant invective from the enemies of the Holy See. The new theory of government is that rulers possess no rights as against their subjects, and have nothing to do but to abdicate on the first expression of discontent, which discontent is itself irrefragable evidence of bad government. It is needless to say that this theory has never yet been acted on by any government; least of all by those who maintain it most loudly. Its practical adoption would be equivalent to the abolition of all government, and yet, for not adopting it, for employing in the most forbearing and gentle manner possible, those measures which are indispensable to the existence of the Holy Father as a temporal ruler, we shall soon probably see him again held up, as he has been lately, to the execration of mankind. But what reasoning could conciliate those who would be satisfied with nothing short of the annihilation of the object of their hatred? The Holy Father is not at liberty to resign, without an effort, that small temporal dominion which was so providentially given, and has been so wonderfully preserved through so many centuries of European convulsion, for the advantage primarily of God's Church, and secondarily of human progress and civilization. If the unhappy infatuation of the wretched minority of insurrectionists (chiefly foreign) who now coerce the well-disposed majority at Bologna, should render stern measures necessary, the guilt of blood will rest upon them, and not upon the lawful government to which they are traitors. They have not even the pretext of the majority on their side. They have failed to obtain a vote of the populations; and these democrats, seconded by the English *Times*, openly proclaim the doctrine that the working classes, and especially the rural population, are to be ignored, and too much under priestly influence (in other words too soundly loyal and Catholic at heart) to be entrusted with the suffrage. The object of these misguided men is evident. They hope the sympathy of the anti-Catholic powers. By themselves, and lying exposed as they are at least to the moral opposition of France and Austria, it is impossible that they should come off victorious in the civil broil that seems impending.—Do they suppose that because many English journals are loud in their favour and in abuse of the Pope, or even because the *Times* prints letters (as it has done this week) urging armed intervention by England in favour of the Italian insurgents, that therefore England will interpose either by word or deed in their behalf? Let them not be deceived. It is not a civil war amongst Italians themselves that will cause England to abandon her policy of neutrality. The cry has been to let the nationalities settle their own affairs with their own rulers, and that will be the policy, they may be assured, that will be adhered to so far as Great Britain is concerned, let the seats of victory incline to which ever side it may.—We deplore the hateful, the unnatural conflict between subjects and rulers in Italy, but we have no fear as to the result, so far as it may affect the security of the Pope's government. He has a small, but a brave and well appointed army; and should it come to blows, the resolute General Schmidt will have as little difficulty in scourging out of the Legations Signor Garibaldi and his Condottieri, as he had on a former occasion in causing the Neapolitan assailants to disappear before the walls of Rome; or, more recently, in extinguishing the lawless violence at Perugia. In our Roman intelligence will also be found reported the death of the aged and venerable Cardinal Archbishop of Ravenna, Mgr. Falconieri Mellini, and the arrival in Rome of the distinguished Mgr. Spaccapietra, Archbishop of Port of Spain, Trinidad, who, we learn, is about to be sent on an important diplomatic mission to the East. The budget of the Papal Government for 1859 showed a surplus of 85,000 crowns over the expenditure. One item in the past expenditure is remarkable: 105,000 crowns have been spent in the purchase of bread, to be supplied to the working classes at reduced rates. Ours is the model of an enlightened Government, while the Papal regime is, of course, the concise expression for whatever is erroneous and bad in temporal administration; so say its critics in Parliament, and so say our "best instructors," the newspapers. Yet, in Rome, without any approach to Socialistic ideas, no one dies of hunger; whilst in England, "want of the necessities of life" is a recognised cause of mortality on our statistical returns; and of that most easily curable malady, in London alone 105 christian souls are known annually to expire. While the elements of armed resistance to the rights of the Holy Father are preparing within his own dominions, Heaven's wrath has been manifested by a fearful judgment which has called forth the inexhaustible benevolence of His Holiness in the relief of the sufferers. Elsewhere will be found a telegram dated Bologna, Tuesday, announcing that an earthquake attended with awful destruction to life, limb, and property, had taken place at Norcia. The scene of this calamity is in the ancient Duchy of Spoleto, about sixty miles from Rome.

The dismissal of the Swiss troops from Naples, is supplying a reinforcement to the Papal army; 1,300 of them were paid off and dismissed last week from the service of the Crown of the two Sicilies, and it is said, that they are likely to take service, as their comrades have done, at Rome.

GERMANY.

The *Times* correspondent writes:—"There can be no question that the agitation which now prevails through every part of Germany will, before the close of the year, give rise to important events. Every post brings evidence in public papers and in private letters of the rapid spread of the feeling to which the Wiesbaden Declaration first gave utterance two months ago. It is so general, that even the Governments of the small States—at least most despotic in Europe—do not attempt—at least openly—to repress or to punish it. It is not now a question of Prussian hegemony, but of union in any fashion, provided it be a real union, productive of unity of action, both military and diplomatic. Germany is slow to move, but whoever knows Germany knows what elements are at work within her, and how irresistibly the popular feeling, when once roused overthrows all obstacles. The lessons of '48 have not been lost, and we may fairly expect that the present movement will result in something more sober and practical, if less ambitious, than the declamations of Frankfurt. The sobriety of the declarations which are being signed all over the country, the guarded expressions used in them, the anxiety which all parties show to arrive at a common understanding, are the proofs that not theoretical visionaries, but thinking citizens are the actors. It is no chorus of enthusiastic, beer-sipping, fatherland-ballad-singing students, but the deliberate demand of men of all ranks and all ages,

the aforesaid students not excepted. These last may be cited as affording the strongest evidence of the intensity of the feeling. In some at least of the universities—I cannot, of course, speak for all—they have come to a resolution that, whatever differences of opinion there may be, there shall be no duelling on this subject; as remarkable an instance of self-imposed restraint as the Golden Legend contains. This renunciation of the pleasant side of a question which promised so many slashed cheeks and truncated noses, the proudest badges of a *Bursche*, is not the laughing matter English readers may think it, but the sign of an earnestness of purpose, which only the feeling of their common country's danger could have inspired. This union of Germany has been the aim of all her ablest statesmen since Ulrich von Hutten, soldier, poet, and satirist, first conceived the idea. If it be now effected, France and Austria, in spite of themselves, will have more than undone the injuries of centuries, at the same time affording the world the best pledge of future peace. I saw two days ago a letter written from Vienna in the beginning of July, a short extract from which appeared in one of the papers here some weeks ago. It describes the state of thralldom from which the press is now freed. On every subject the editors received instructions as to how it was to be treated, a paternal provision against the wear and tear of editorial brains, which the present Minister will not discontinue. The paper for the following day was sent to the police bureau at midnight, and an hour afterwards was returned, expurgated by the scissors of the censor.—Not only were whole articles often cut out, but paragraphs and even single words were condemned, and the writers had to exercise their wits in finding words, sentences, or articles of exactly similar length to fill up the spaces, for no blanks were allowed to appear. There was a rich variety of forbidden subjects. Home affairs were naturally not to be discussed, for they concern Government, and not the public of the newspapers. Foreign affairs were the free field in which the editorial genius could roam, provided always that he permitted himself no unkind remarks on the doings of friendly Sovereigns and statesmen, and avoided everything laudatory concerning those who had the misfortune to be in disgrace. The constituted authorities, and of course the police is the first of these, were to be spoken of with the respect due to the servants of the Emperor. As an example: a paragraph was cut out because it complained of an obstruction of public thoroughfare by the piling of a large quantity of fire-wood before one of the houses in the street; it was considered an undutiful reflection on the activity of the police. Sometimes this care for the public safety extended itself to the correspondent of newspapers in other States of Germany. The condemned scribbler was watched when he went to post his letter; as soon as he had committed the rash act, a gendarme would step up to him and request him to walk into the office. Then his letter was taken out of the box and opened, and he was required to acknowledge it. Thus self-coarced he was sometimes only reprimanded, but more generally received his passport, with orders to quit at once. This was the regime to which M. von Hubner has put an end; and how severely it was felt may be judged by the gratitude which has followed his declaration, that henceforward the preventive censorship is abolished, and newspapers only remain subject to seizure if they transgress the well-known rules. The agitation for the union goes forward. A meeting of the "Friends of Germany" in Westphalia and the Rhine lands is called for the 1st of October at Hannover. The cholera spreads along the shores of the Baltic. Its presence in Danzig is officially acknowledged, as well as in Osnabruck and Elberfeld, and it is reported to have made considerable ravages at Hamburg.

RUSSIA.

In Russia we hear of a return of the army to peace establishments, and the Russian journals are advocating an European Congress to settle the affairs of Central Italy. But France gives no sign of adhesion to such an idea, and the self-isolation of England prevents any expression of opinion on her part.

TURKEY.

The Sultan of Turkey's dangerous illness has brought us very near to a new Eastern complication. His Majesty is stated to be recovered and to be again directing his attention to public affairs. In Syria the frightful massacres and devastation which have been committed by those modern Assassins the Druses, probably have their origin (though it is not yet so stated) in jealousy at the progress of Catholicity in Syria. The Emperor of Morocco has also been dangerously ill, and Spain is on the point of dispatching an expedition to Ceuta, to seek from the Moors of Tangier, redress for injuries committed against her.

INDIA.

The following is from a letter of *Times* Calcutta correspondent:—"CALCUTTA, JULY 18.—Five thousand Europeans have already taken their discharge, and no returns have been received from the Hills, from Bombay, or from Madras. 4,000 more expected to follow, and the old Company's army may be considered dissolved. The main state openly that the chance of getting away from India is irresistible. The 2d East-Indies, for example, have not joined the movement at all, or made any demand whatever. The instant the order was published, however, half the regiment, 450 men, accepted their discharge. Non-commissioned officers are leaving as freely as privates. Some hope to re-enlist, others say they will get the Admiralty bounty. Many more believe war is certain in Europe; but the large majority are actuated simply by a craving for change and that utter disgust to Indian life which, as I have so frequently warned you, is becoming a formidable danger, which drives the Queen's officers home in shoals, and would drive their men, could they only get away. Of all men, the Sappers are going away. They receive immense pay, have almost a monopoly of minor appointments, road overseerships, conductorships, and commissariat berths, and are not only actually but relatively better off than first-class English artisans. Still they are going, partly, it is said, from disgust at an order of Lord Stanley, which they fancy will interfere with their appointments. Civilians, they say, are to be sent out to do overseer's work; but I believe they are altogether mistaken. Fortunately for Government, freights are low, and they have contracted for transport at £17 a head. Even then, however, they will hardly send home the men, and enlist, train, and send out their substitutes, under £500,000 sterling. "The news of the change at the India Board has been received in India with more favor than might have been expected from the personal popularity of Lord Stanley. It is felt that the past twelve months, has been wasted, and the fault is ascribed to the Home Government. It is true the Government of India is terribly slow, but the questions which now press so severely are rather English than Indian questions. For example, it is not for Lord Canning to decide if the Queen's army shall be alone in India, until it is decided reorganization is impossible.—The delay at home on this point has already cost us 10,000 men and half a million sterling. It may yet cost another mutiny, for the preposterous native army now in existence will never be abolished, except by orders from home. The report of the Army Commissioners is simply laughed at from one end of India to the other. Officers ask what was the use of endeavoring to remedy a mutiny on the evidence of men most of whom were civilly buried 20 years ago. The opinion of an officer who has not been in India since the mutinies is about as valuable as that of a French *émigré* on the true government for the France of 1815. Then there is this question of finance. Not one penny of the money sent from England, not one practical suggestion. The Finance Commissioners promised does not come. We get no assistance from the India house except a causeless and dangerous re-opening of the question of English guarantees for Indian loans. Not a reduction has been really ordered, though Government has been told to

'inquire' into a reduction of salaries which it knows, and Lord Stanley knows, can be carried out only by force of a resolution of the House of Commons.—England, interested in European wars, is forgetting this financial difficulty. I warn your readers once more that they have seen only the beginning of troubles. The five millions to be raised here are not raised. Sir Charles Wood must ask for ten millions this year, and eleven more every year for years to come. If we scrape through without further remittances of bullion it will be almost a miracle, and as to remitting to England, it is incredible to deceive English taxpayers by even suggesting the possibility of our doing it. It cannot be done, and will not be done, let Secretaries smooth matters as they please, and anybody with a state and a knowledge of addition can tell you the consequences. England must provide for our home expenditure, now £7,000,000, and increasing with every new loan. This is the conviction of the most hopeful calculators. For myself, I believe the deficit here, in addition to the home expenditure, will be at least £3,000,000 a year for five years. Nothing save radical military reform can prevent this result, and no effort even has been made in that direction, except by an order reducing native regiments to 700 men—a mere playing with the difficulty. It would be cheaper to run the risk of a new mutiny by the summary dismissal of 100,000 men than to trifle with the most serious danger which in this generation has threatened British pockets. If Parliament will not attend to the matter, if it will listen calmly to cheerful chatter about the value of the rupee in pounds sterling—chatter which concealed two millions a-year of deficit—it will find itself about 1861 compelled to levy a permanent tax of six millions a-year for Indian home expenditure. Why not, at all events, order an inquiry, compel the production, at any rate, of a balance sheet in rupees, showing, not merely the net revenue in the preposterous fashion now adopted, and gross expenditure. The present abstract is deceptive to a degree. The 'charges of collection,' for example, reduce the gross revenue by millions. What are Indian charges of collection, when the entire army and all officials are paid primarily for that one object? The home expenditure, again, is as much a charge on the Indian revenue as the Governor-General's salary, and should be entered as such. 'Equalisation of revenue and expenditure in India,' of which we hear so much, means simply a deficit of six millions on the Imperial account, home charges included. The key to India finance is simply this:—Unless the expenditure in India can be reduced to two-thirds, the home expenditure cannot be paid. Of course, all this is excessively unpleasant to all kinds of persons, to Secretaries, who want to make things pleasant, to the Council of India, which wants to conceal its powerlessness, to Indian officials, who dread 'cuttings,' and to a British public *corroborable a misericordie*, but having to look future financial troubles in the face. The time for action is rapidly passing away, and no action will be of the least use unless backed by the one authority Anglo-Indian fear—viz., the House of Commons. Let that House erase the native army (it can be re-built in a month, as it was in 1857, if you want it), and fix an absolute limit on military peace expenditure—say eleven millions—and the finances may yet be saved. How many Englishmen are aware that our army now costs more than the whole army of Great Britain, with 40 colonies to protect?

"The King of Oude has been released, apparently without guarantees. He had formed a plan two months ago for residing, on his release, at Chandernagore; but I believe that will be prevented. He would be a very valuable weapon there. He now resides in Garden-reach, below Calcutta. He behaved very well during his confinement, passing his time in stringing verses and painting portraits."

GLORIOUS PROSPECTS.—We should not expect to find the Anglo-Indians just now more hopeful than ourselves at home upon Indian affairs. After a very great struggle there always ensues a reaction of dulness, and sometimes of gloom; and in this instance, though the victory is ours, ours also is the odium, the tread of the fresh lava and the smouldering ashes. The mutiny leaves its dreadful shadow behind. Even the hardy British soldier is sick of seeing around him those who were lately seeking the life of every European, and upon whom he has had to exercise bloody vengeance. Opportunity has laid open all those native vices that had been somewhat veiled by the smoothness and obsequiousness of a race ever making up for weakness with fraud.—There is now no deception between the conqueror and the conquered. It is something worse than suspicion that now poisons even the sweetness of domestic life; it is a certainty of mutual hatred, which time only can modify. The Hindoo, as he stands before his master and his victor, whether in the camp, in the bungalow, or in the bazaar, is now one living lie. We can compel him to do our will, but we can never trust him. Hence the misery of Anglo-Indians. The common soldier and the officer alike pine for the sight of a land where there are sympathy and confidence, instead of worse than war's alarms. The civilian must, indeed, have a heart of fire if he sink not to the common level of a miserable despondency. So that is the tone of the Indian public; it is inspired by facts; and it has a tendency to realize itself in facts. It regards India as dead in feeling, energy, and resources. In vain do we at home count up the immense figures of Indian population, territory, and trade. In vain do we point to a revenue buoyant in spite of war. The gloomy response is that nothing is to be got out of the native. At one time we are told we must not touch his land, we must not question his freehold, or tax his occupancy at its worth; then, that we cannot reach him by indirect taxes; now, that he will evade anything in the shape of a stamp duty. All will fall on the Europeans. We shall only tax ourselves to maintain ourselves. India herself, under these circumstances, can barely meet her own local expenditure. Like an invading army in temporary possession, we may, if we please, devour what we can actually by our hands upon. But all that is wanted for England we are told, must be paid for by England herself. Here must be found not only the men and the material, but also the immense sum to pay the annual bill. England must meet the interest on the whole debt. Nay, for five years at the least England must send to India, over and above everything else, three millions for the expenditure out there.—In India the only question is how much England will bear, and what she can be made to pay.—Meanwhile, chaos in council, dark confusion, reckless extravagance, and wanton waste are supreme in India. The "old Company's army," we are told, is dissolved. At least 9,000 trained and seasoned soldiers whom the least management might have kept in India are hurrying home, and the total consequent loss is estimated at half a million sterling. Then it appears everybody is waiting for everybody, India for England, and England for India, to decide what to do with the immense native army. It is the old story of master waiting for mistress, and mistress for master, while there are twice as many servants and horses as the income will stand. According to this Lord Stanley and Lord Canning have been looking at one another like two brass fire dogs across a hearth; looking wise and resolute enough, but silent. A hundred thousand men must be dismissed, unless the British public is to acquiesce in the present state of things, which is that of paying to India the most enormous black mail ever wrung by the strong and insolent from the weak and timid. At the cost of £10,000,000 a year we are purchasing peace and quiet from the native Indian soldier, and we call ourselves the victors. We retain him because we are afraid to dismiss him. He clings to our service, for he is at home in his own country, and only wants somebody to pay him, no matter who. The European runs home at the very first opportunity, for his case is the very opposite. But what signifies it whether