

fall naturally to Mr. Balfour, who takes his new office gracefully and modestly. Lord Salisbury may well be spoken of as a great statesman, distinguished perhaps more by his cautiousness and good sense than by any remarkable ingenuity. Mr. Balfour is both a statesman and a scholar and more inclined by nature to aesthetic pursuits than political. That he is an aristocrat of gentle tastes is the worst that his opponents have to say of him, but it is just possible that because of this gentleness of disposition he may not be equal to the task of guiding the affairs of state at such a time as this. Both he and his predecessor belong to the old regime, while the man for the times must be in touch with the new spirit and the opinions of the great average public. King Edward's coronation was significant not only by virtue of its own spectacular importance but because it marked a new period in England's industrial and social history. New conditions are arising, and the new reign begins even with this fresh era. It would be an excellent opportunity for an energetic Government leader to fall in line, but, while otherwise eminently capable and highly respected, it is hardly expected of Mr. Balfour that he will prove fully equal to the occasion.

For the same reason the retirement of Sir Michael Hicks-Beach from the Chancellorship is a natural consequence in the evolutionary process. He is an ardent free-trader, and he retired from office before the protective and preferential policy had gained the ascendancy, as it ultimately must. The principles and theories for which Mr. Chamberlain stands are in harmony with present-day tendencies, and only a little ahead of public opinion, and will finally win. But their increasing power marks a new order of things, and therefore the passing of the old regime is a step to the future.

The guiding spirit in British politics is Mr. Chamberlain, and he may yet be premier. He is the most energetic and most broad-minded man in the Cabinet,

and while on the best of terms with Mr. Balfour his superior ability will naturally make his the predominant influence. He is also the colonies' best friend, as it behooves the Colonial Secretary to be, and the colonies have therefore much to hope for from the strengthening of a Chamberlain policy. In the new cabinet he remains in his present office, and his son becomes postmaster-general. The new chancellor is Mr. C. T. Ritchie.

The chief problems facing the Balfour administration at present are the aftermath of the war both at home and abroad, a period of depression threatening in England and re-organization being a necessity in South Africa; the education policy, which has already aroused stormy discussion; colonial relations; and the difficulties in Ireland.

The Situation in South Africa

The settlement of South African affairs is attended with many difficulties. The aftermath of war—reconciliation of the populace, establishment of government, restoration of industrial conditions—constitutes a problem. Yet it is not so difficult but that a sound and vigorous policy will prove its solution and will bring ultimate prosperity to the colony. Such a policy the British Government has announced its intention to pursue.

The first difficulty which presents itself is the reconciliation of the Boer masses. The leaders have professed their recognition of British rights and their determination to exert their own influence among the people to that end; the greater number of the people themselves have accepted the situation willingly and even gladly; and yet there come occasional reports that uneasiness is felt in some places and that many prominent Boers are but awaiting developments—if British rule is not satisfactory they will again seek to foment revolt. That some malcontents should be found was to be expected, but it is not likely that their dissatisfaction will ever assume formidable proportions.