

tion has been called to the fact that the firm could easily get rid of any clues or persons who were inconvenient to it. The War Minister has in this matter done his duty; he has taken action, and not merely against the members of the army, but also against civilians. Enquiries are pending in the case of six or seven persons. These steps have been taken with commendable promptitude. Persons in high positions have been arrested for examination, and the enquiry has fully corroborated what I have stated. The purpose of the investigation cannot now be endangered. In the interests of the German people, and of European peace, I must, therefore, discuss this matter."

The communication with France was in 1907, and ran as follows, being addressed to an agent in Paris:—"We have just wired you, 'Kindly await our letter of to-day in Paris.' The reason for this wire was that we should like to have inserted in the most widely-read French newspapers, if possible in the *Figaro*, an article containing the following passage: 'The French War Office has decided considerably to hasten the re-arming of the army with machine guns, and to order twice the number that was at first intended.'

"We request you to take all steps to have an article of the kind indicated accepted.—Yours faithfully Deutsche Munitions-und Waffen-fabrik."

The German Minister of War formally denies any complicity of the Government with such illegitimate proceedings as are suggested, and declares that the Krupp agent may have derived information useful to his firm from "corporals" in Berlin quite wrongfully, but no secrets of importance were divulged. Nor was any large amount of money expended, in fact the agent had only his own ordinary salary to work with.

The charges have made much good copy for newspapers of the sensational sort, but men accustomed to the transactions of large manufacturers will see little that is indefensible, unpatriotic, or out of the ordinary in whatever of truth underlies them. Officials are over eager sometimes. So are political enemies. When we have stated this much we have probably said all that is necessary by way of comment upon the subject.

THE CALIFORNIAN-JAPANESE DISPUTE

Japan is a jealous nation regarding its national honour! This is not to be wondered at, considering that its modern position among the great people of the earth is chiefly due to its military and naval prowess. No one is more anxious to maintain his honour than the soldier or the sailor. And Japan has comparatively speaking, only lately become great, and therefore is naturally inclined to be punctilious respecting what is due to its position. It is really easy to understand that any slight offered to the nation, whether intentionally or not, is likely to be resented with a considerable degree of bitterness.

Consequently no surprise need be expressed at the protest lodged by Japan at Washington, against the legislation of the State of California, which aims at depriving Japanese and other aliens of the right to ac-

quire real estate in that State. It is quite true that as Governor Johnson has claimed that "Japan by its own laws, prevents acquisition of land by aliens." No one doubts that California is consistent in her new law with that clause in her state constitution which says:—"The presence of foreigners ineligible to become citizens of the United States is declared to be dangerous to the well-being of the State, and the Legislature shall discourage their immigration by all means within its power." The new Federal Naturalization and Immigration laws, from all accounts forbid the Japanese becoming United States citizens. Still, the fact remains that there is an outcry against Oriental cheap labour on the Pacific Coast. The Japanese are unpopular in California, and the new legislation had its genesis in that unpopularity. However, it may be excused, no one believes that California did not, to meet public opinion, initiate this legislation with the primary object of preventing the Japanese from settling upon lands in that State. The labour men and some others saw good reason for preventing such settlement from their own point of view.

Japan saw in it a discrimination against its people on the ground of national inferiority. Others, Italians, Russians, Greeks, etc., had been permitted to buy land in the United States. Now just as the Japanese were breaking into the lucrative fruit growing business of the Pacific Coast, this law was passed forbidding them to do as other foreigners had done. Even the Federal authorities saw that there was discrimination, and vainly endeavoured to prevent the passage of the Bill.

It is a curious state of affairs as it stands, and may have wide extending results. That Japan will go as far as war in her objection to the discriminatory legislation of California we cannot believe. But it is not pleasant to contemplate what may be the final result of the opposition of individual states to the regular policy of the Federal Government at Washington. It marks distinct division between the authority of the whole, and that of the part. Can there be real stability in a house thus "divided against itself"?

No doubt, the bitterness engendered by this racial bitterness will tend to hinder trade between the two nations. We can hardly hope that Canada will benefit by it, since there is no love to spare between British Columbia and the men of the Flowery Kingdom. But, thanks to the alliance between the Mikado and Great Britain, we have been able to arrive at some sort of a working theory, which does not allow our territory to be overrun by our talented allies "the Yankees of the Orient." Great Britain, from years of experience, has learned how to get on with foreign people without friction, and her trade prospers as a consequence. But that wonderful country never discouraged friendly settlement of foreign people, and actually appears to have profited by the various industries they brought with them.

—There is one telephone for every nine persons in Toronto.