production: cotton factories, because the mill-hands carry off the raw material stowed away in their clothes. It is only by organized probity that we can compete with the Chinese. The probity of Chinese merchants and bankers is proverbial and is no doubt the basis of their success in these en-As the Chinese have no separate castes, it is hard to account for such apparently contradictory phenomena as exceptional fidelity in certain walks of life and systematic fraud in others. the line of demarcation being. moreover, sharply drawn.

The different code of honour which prevails in official circles may equally be pleaded as a necessity of existence. No Government official in China can possibly live on his pay; his necessary expenses many times exceed it. What is he to do? Immemorial tradition points out the way. The ox is not muzzled that treads out Of course official corruption is an insidious poison, not only as affecting the efficiency of the public service, but also the personal character of the dividual.

An element of distrust between Chinese and foreigners is the looseness and disregard of punctuality which characterize the Chinese. Except in banking transactions, time with them has not the same recognized value as it has with us, and their habits are easier and more slovenly. alleged against them that they are superstitious, but it is scarcely possible for a foreigner to conceive how completely their lives enveloped in cobwebs of necromancy, geomancy. craft, animal worship, luck, evil eve, and a thousand influences which seem to us grotesque and childish. This is a natural result of the long duration of the people. which has permitted the accretions

of three thousand years to be preserved in a gigantic accumulation, whereas the primitive beliefs and folk-lore of Western peoples have been broken up by their migrations, wars, and commotions. Almost every conceivable action of a Chinaman's life is prescribed by a minute etiquette which no one dreams of disregarding. But in addition to this the Chinese. even the most reasonable and practical, are under the dominion of sorcerers and fortunetellers and the reign of "luck" to such an extent that they are in constant apprehension of doing or saying things at the wrong time, the wrong place, in the wrong way, or in company with the wrong people.

If they were war-like, Chinese have ceased for very many centuries to be so. The nation has survived the military age. When forced to fight, which they will seldom do if there is a chance of running away, their tactics are more primitive than those Zulus. There is no concentration: each regiment or battalion fights for itself exclusively. None will assist another, still less will any section of a force sacrifice itself for the general success.

The manner in which a Chinese force is levied, the way it is treated, paid and led, should excuse much in the private soldier. Under a European officer there was no forlorn hope or desperate service for which they would not volunteer. It has always been the personal qualities of a man, rather than a cause, which attracted the Chinese. Gordon could have led them anywhere.

When all is said, however, it must still be conceded that it is not military, or scientific, or political, but commercial genius that has characterized the Chinese in the past, and is therefore most likely to distinguish them in the future.