The Problem of Empire.

By E. J. KYLIE

WE cannot disregard the two great difficulties of our present situation, both resulting from the very progress of the country. The prosperity of Canada, its possibilities and its problems have come so to absorb our attention, that less room is left for the consideration of Britain's interests and affairs, or even of those ties which formerly united a colony to the motherland. All the French-speaking inhabitants and two generations of the English-speaking inhabitants have been born in Canada and may easily find it the only centre for their patriotism. Yet the pioneers from Britain kept their faces toward the East and a home beyond the sea; we have turned at the call of the North and the West where our feet tread always native soil. we left free to meet the new conditions, for a flood of settlers from Europe and the United States is upon us. To these we do not for the moment offer any definite national ideals nor do we bring them face to face with national responsibilities. We cannot, in a word, make them members of a fully developed state. True, there is the Empire, fraught with meaning for us, but to newcomers of this sort it may be very vague and distant and this allegiance to it can scarcely become a living force. Yet we are often asked how we are to keep their political life free from petty and corrupt influences unless it is inspired by the presence of urgent national duties and concerns. This immigration problem is for the time peculiar to this continent. The United States impressed peculiar to this continent. The United States impressed its citizenship upon the stranger by extravagant and picturesque, though effective, methods. Yet even the intense patriotism thus inspired could not deliver him from the corrupt forces which unequalled material progress has rendered so powerful. But we have taken little thought as to our task. It is just possible, too, as we are sometimes reminded, that had our federal statesmen to deal with the wider problems arising from the conduct of foreign affairs, the whole character of our Dominion politics would be improved. Were we protecting our own interests abroad, we might be lifted above provincial disputes and private gain. Probably even in the United States the diplomatic service produces such men as are unknown amongst us. This is almost certainly the case, when the many opportunities presented to young men here prevent them, for example, from even thinking of careers in the Indian Civil service. But if nationhood could give us this broader view, it might also by its assimilating power, build up in Canada an united people. Indeed, one may well in Canada an united people. Indeed, one may well doubt whether anything but a national crisis can make us kin.

The other difficulty arises also from our progress: as we grow and become more self-conscious, we are the more hurt by the apparent failure of Great Britain in her dealings with the United States. There is no need to discuss the various issues in detail. In fact, Bryce has, asked us to suspend judgment until the facts are presented from the British side. But in the meantime we may observe that Great Britain wants American friendship for obvious reasons. Japan has secured her against Russia in the East, the alliance with France maintains the status quo in Europe and in Africa, so an understanding with the United States would guarantee the peace in North and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and would complete the instatus of Court and South America and S plete the isolation of Germany. To carry out this policy she may have persuaded herself that she must make sacrifices. These, indeed, are trifling in her eyes but costly to Canada and Newfoundland, especially since we believe that the American government has deceived England where it could not deceive us. We are forced to this belief by Englishmen themselves, who constantly tell us that the Americans have actually threatened war, and would have put Canadian homes in danger, were it not for these concessions. Now, of course, we are convinced that the American people have no thought of war with Canada. Mr. Goldwin Smith himself says that they have no desire to undertake the task of governing Canada, and yet they would begin a conti-nental war for the sake of the territory involved in these disputes. But this territory is valueless, all Englishmen Then the Americans must be brigands to think of war for such a booty, or fools to be turned from their purpose by these surrenders. In neither case does Great Britain pay them a great compliment by insisting upon their bellicose temperament, to say nothing of the very unworthy motive she alleges for her own yielding. And after all the Alaskan award was not a matter of dip-

lomacy, but presumably the result of a judicial arbitration, and no defence of British diplomacy can cover it. But we await the defence, and only ask to be spared the assurance that our homes have been endangered, for this absurd talk of war has really convinced many Canadians absurd talk of war has really convinced many Canadians of English stupidity or hypocrisy. Quite wrongly, of course, for the Englishman is neither stupid nor a hypocrite, but singularly well-meaning and honest. The American, then, is dishonest? No, but merely endowed with imagination. He "talks big," he scatters his promises and his demands recklessly; he is not to be taken literally at his word; he will overreach his rival in lyugings because he imagines that the latter is trying to business because he imagines that the latter is trying to business because he imagines that the latter is trying to outwit him. Each is really paying a high compliment to the astuteness of the other. His humour is broad, extravagant—indeed, its force is in its very extravagance, and herein it differs so completely from English humour, and so he plays his "game of bluff." But the Englishman who knows the use of language and takes words seriously and at their proper value may well attach too much ly and at their proper value may well attach too much importance to the American's first demands or threats. We know how the former is regarded as simplicity itself all over this continent. Of course, at home the American would come to business, after the first display of his cleverness, but abroad he has been so often victorious that he now maintains his ground probably with a great show of firmness. He has behind him, certainly, vast protected interests, of the interference of which the British statesman knows nothing. Indeed, we cannot expect Great Britain to have caught the spirit of this expect Great Britain to have caught the spirit of this continent, nor need we be reminded again that wherever she has been directly involved in a quarrel with the United States, British indignation has been aroused, British statesmen have acted with vigour, and Canadian homes have actually been endangered. In fact, Great Britain with the best intentions, will find it difficult fully to understand our concerns.

In any case our advance has brought with it these difficulties, and so many a man will answer now that of course in a few years Canada will stand alone. Still even those who look forward to national independence cannot regard it as possible for the present. Hence, in the general uncertainty, everyone upholds the present connection with Great Britain. Some, in fact, to escape the very difficulties mentioned, favour full Imperial federation. But probably most of us attach the greatest value to the guidance and inspiration which the motherland can offer us in our intellectual and public life. This is the real advantage of our present position, and we should never have ceased to insist upon it. Instead, we have been to blame for deceiving the British public by parading our loyalty and connecting it in one way or another with commercial interests. True, we impressed some people a good deal. Mr. Chamberlain and his friends were for a time easy and rather large game. Yet we were always safe behind our tariff-wall while we waved the flag. No one meant to be seriously out of pocket through his devotion. Indeed, good sound imperial sentiments have generally served as a disguise for a good sound protective policy. But we must stand forth as we are, abandoning the vagueness of thought and confusion of language which are so characteristic of this continent, if we are to be understood in England and to solve the problem of Empire.

Bank of England Notes

It is beneath the dignity of the Bank of England to take, or even to appear to take, advantage of accidents to their notes, and if there is any possibility of establishing the identity of one of them it is sure to be duly honoured. Even where a note is entirely destroyed proper evidence of the fact of destruction will be accepted and payment made. A lost note will in some cases be paid; and there is one occasion recorded upon which the liberal attitude of the directors in a case of this kind involved them in a loss of thirty thousand pounds. A bank director declared that he had lost a note for that amount, and, upon his giving an indemnity for the sum in the event of the note ever turning up the money was paid to him. Many years after his death an unknown person presented the note. The paper was undeniably good, and the Bank had no alternative but to cash it, as it was payable to bearer on demand, and as the heirs of the bank director who had lost it repudiated all liability the money could not be recovered.