

no one divines. The supremacy of Russia may have dire influence on our mission work. That its supremacy can be lasting we hesitate to believe.

In Formosa the situation is trying. If we are not mistaken, its conquest cost more Japanese lives than did the war with China. Savages and disease are more formidable enemies than Li Hung Chang's braves. Besides, there are questions of administration and police, the use of opium, and many other bad customs and manners which tax the highest intelligence. Japan is ambitious of emulating Great Britain not only on the sea, but in the successful, liberal, and just government of its dependencies. It, too, would be a civilizer. And the nation finds that all this costs money. For years to come the Japanese must pay in part for the acquisition it has made, as Formosan income by no means equals Formosan expenditure.

*Commerce.*—The nation prospers exceedingly. Its commerce advances with leaps and bounds. Already its flag is seen in English waters, and it plans new lines of steamers, so that it may have constant service by its own ships to America, Australia, and Europe. Besides the lines of railway projected by the Government, private companies are busy, and ere long all parts of the empire will be accessible by the iron horse.

The increase in the resources of Japan has been great. Statistics for twenty-two years are at hand. Between 1872 and 1894 the population increased more than 25 per cent. England during the same period increased about 20 per cent. In Japan the increase in the production of the staple articles of food has kept pace with the increase in population; and there seems no reason to fear that it, like England, will become dependent on foreign lands for its daily sustenance. In fifteen years the production of silk cocoons tripled, and the production of tea doubled. The increase in manufactures has been most remarkable; and foreign commerce in the twenty-two years has multiplied almost sixfold. In the same period there has been a great development of railways, telegraphs, steamship lines, postal service, banking capital and facilities, and, in short, of all the ways and means of modern industrial and commercial civilization. And the increase still continues as rapid as before.

Thus there is a solid basis for the increase of national expenditure and for the growing belief that Japan can maintain by the arts of peace the position it has won through war. Of course prices rise and wages increase. Equally, of course, there is danger of too great extension and too sudden prosperity. There are not wanting prophets who tell us there are signs already that the boom will burst. It will be strange indeed if Japan escape depression and panics altogether, but there is no ground for the suggestion that the new prosperity is less solidly founded than the prosperity of Western lands. An increase of population with a steady yet rapid increase in the products of the soil, of the factory, and of foreign trade gives reason to believe that the new ways will be ways that shall last.

*The Disaster in the North.*—At the very end of the year comes telegraphic word of the terrible disaster in the North. Japanese papers with