THE YEAR.

A CIRCUIT OF THE WORLD'S HISTORY.

REVIEW OF THE POLITICAL HISTORY OF AMERICA AND EUROPE DURING THE PAST YEAR—A STRIKING CONTRAST BETWEEN THE UNITED STATES AND THE OLD WORLD—CROWNING EVENTS OF A REMARKABLE YEAR.

Eighteen hundred and seventy-nine has been a year of unexampled prosperity on one side of the Atlantic, and of commercial depression and social and political restlessness on the other. In the United States the crowning act of public faith, the resumption of specie payments, has been successfully accomplished, and National honesty has been demonstrated to be the best policy by the general revival of business, the development of home industries and the refunding of a large share of the public indebtedness. True to its instincts, the political party which has persistently advocated measures of financial dishonor has shifted its ground to the ballot-box and Canvassing Board, and by its cipher telegrams, its revolutionary course in Congress and its public filching in Maine has shocked the moral sensibilities of the North. In the Old World there have been scant harvests and shrinkages in trade and enterprise. In England and Ireland there has been something like a collapse of agricultural interests, and the termination of two foreign wars has been awaited with impatience. In Germany an economic revolution has been wrought, and in Austria there has been a general upheaval in politics. Two diabolical attempts to kill the Czar have illustrated the anomalous condition of Russian society. In France and Belgium the irrepressible conflict between Church and State has been renewed, and in Spain there has been a reactionary change of Cabinets. The Triple Alliance has fallen to pieces, and Germany and Austro-Hungary have formed a diplomatic combination which gives them a predominating influence on the Continent. It has been a changeful year in the destinies of the world.

UNITED STATES.

This has been for Americans an honest year, for the Government has kept its pledges and redeemed its notes in coin. On the first day of resumption the Treasury paid out $130,000 in gold and received $400,000. From the outset the ability of the Government to meet its floating obligations in coin was manifest, and the demand upon the Treasury for gold and silver in exchange for United States notes was exceedingly small. On January 1 the reserve of coin was $133,508,804 50. During the next ten months United States notes amounting to $11,256,678 were presented for redemption, and the net balance of coin available for resumption increased to $152,737,155 48. At that time the imports of specie amounted to $61,479,907, of which $55,300,094 had been received since the first of August, and mainly from the Bank of France. By the middle of December the specie imports had gone above $83,000,000. At the close of the fiscal year the excess of exports over imports was $264,661,666. This excess has not been met, as during the four preceding years, mainly by remittances of United States securities, but in good part by shipments of specie.

The resumption of specie payments and the increase in foreign trade have been accompanied by a general revival of business. It has been a year of bountiful harvests and commercial prosperity. Every form of industrial enterprise has felt the impetus; immigration has increased; the settlement of the Far West has gone on apace; and the volume of business in the monetary and commercial exchanges has been enormous. During October the speculative movement in the New-York Stock Exchange was at the rate of 400,000 shares, with a par value of $40,000,000, per diem; and during a single week in November shares with a par value of $330,000,000 changed hands. The sale of 250,000 shares of Central and Hudson stock late in that month, by William H. Vanderbilt, to a syndicate of foreign bankers and managers and to the owners of the Wabash system, was a financial transaction of stupendous proportions. The failure of Archbishop Purcell was a large operation of a different character.

REFUNDING.

The improvement of public credit during the year has been indicated by the magnitude of the refunding operations. On January 21 $15,000,000 of four per cent bonds were taken by a Syndicate. On April 4 the amount of five-twenty bonds outstanding was $59,565,700, and this was covered by the day's subscriptions to the four per cent loan; with additional bids for $60,919,800 in excess of the sum required. There being no other six per cent bonds redeemable, the conversion of the five per cents was completed on April 17 by subscriptions of $149,389,650 to the four per cent loan. These operations enabled the Secretary of the Treasury to report in December a saving of $9,355,877 50 in interest by the refunding, since November, 23, 1878, of $370,848,750 of sixes and $193,890,250 of fives. The fours have been sold in small sums and are now held mainly in the United States. The reduction of the rate of interest in this State from 7 to 6 per cent will take effect to-day.

The opening of the Sutro Tunnel, the completion of the Mississippi jetties, and the laying of a new transatlantic cable, have been among the great enterprises of the year. The Interoceanic Canal Congress at Paris was attended by an American delegation, but their distinctive plans were rejected and the tide level scheme of De Lesseps and the Napoleon Wyse was adopted. The impracticability of this project has been demonstrated by the recent floods on the Isthmus, and the prospects of the construction of a water-way through Nicaragua are now favorable. The outbreak of yellow fever at Memphis caused momentary alarm throughout the country, but the ravages of the disease were confined to that centre of infection.

THE CAUCUS CAMPAIGN.

The demoralization wrought by the publication of the cipher dispatches and the overwhelming defeats of November increased the desperation of the Democratic leaders. The evidence taken by the Potter Committee early in the year established the accuracy of THE TRIBUNE'S translations, and the stock in trade of the party—allegations of fraud in the Presidential election—became so utterly worthless as to promise political bankruptcy. Under these circumstances the Democratic caucus determined to open the floodgates of fraud at elections. The attempt to foist partisan riders upon the regular appropriation bills was stoutly resisted by the Republican minority, and the XLVth Congress came to an end, with the Army and the Legislative, Executive and Judicial bills still on the table. The main issues which caused the dead-lock were these: In the Army bill the prohibition of the presence of troops at polling-places; and in the other appropriation bill the repeal of the Southern jurors' test-oath and of the provision for the payment of United States Supervisors of Elections. The majority report of the Potter Committee was presented at the close of this disgraceful session and by giving Mr. Tilden a certificate of character virtually committed the Democratic party to his leadership during the next Presidential canvass. At the same time the Teller Committee pointed the moral of the fraud policy by reporting on the general use of tissue ballots in the South Carolina election.

The XLVIth Congress convened on March 18, with a Democratic majority in each house, to complete the work which the caucus had left undone. After the reélection of the Speaker and the organization of both houses, the revolutionary programme of the previous Congress was carried to even greater lengths. The Democratic leaders threatened to leave the country without troops and without National judicial officers unless they were allowed to prohibit the employment of troops at the polls and to abrogate the functions of supervisors, marshals and deputy marshals at elections. The Republican minority stood firm, and the President, in his admirably drawn vete messages, stripped the Democratic argument of the little logic and less reason which it possessed. Late in April the President vetoed the Army bill on the grounds that the existing statutes provide against the danger of military interference; that political legislation ought not to be coupled upon appropriation bills; and that the Federal Government has the right to control elections. The veto of the Military Interference bill early in May was founded upon the unanswerable argument that it would impair the efficiency of the Executive, and that from the foundation of the Government the power which the Caucus was seeking to abrogate had been exercised. Early in June the President vetoed the Legislative, Executive and Judicial Appropriation bill, with its rider repealing the provisions of the Enforcement act relating to the powers of marshals, deputy-marshals and supervisors of elections. He distinctly reasserted the right of the Federal Government to regulate Congressional elections. In reply to these vetoes the House Judiciary Committee presented an offensive report rebuking the President for presuming to call Congress to task for attaching partisan riders to appropriation bills. After the President's course had been fully sustained by the Republicans in each House, the Democratic Caucus, being at its wits' end, ordered an ignominious back-down. The Army bill was passed without material alteration, and the President signed it on the ground that it deprived him of no real power. The Judicial Appropriation bill was vetoed inasmuch as it gave him no power to execute the Election laws. The bill was then divided, and the section providing for certain expenses was signed. The other section, by which the payment of marshals and deputy-marshals was conditionally provided for, was vetoed. A session, in which the repeal of the duty on the salts and sulphate of quinine was almost the only useful measure, came to an end June 26. After months of Caucus conspiracy, the Democrats had gained this small point: the appropriation for the expenses of marshals and deputy-marshals was withheld. Happily, there was no financial legislation, owing to Mr. Bayard's reluctance to report the Warner Silver bill.

THE ELECTIONS.

The mingled feelings of contempt and alarm which the revolutionary course of the Democratic leaders excited throughout the whole North found expression in the State elections of the Autumn. In Maine, Ohio, New-York, Pennsylvania, Massachusetts, Minnesota, Wisconsin, Nebraska, Iowa, Connecticut and New-Jersey, the success of the Republican party was unequivocal. When Congress reassembled in December the majority were reluctant to renew the struggle in which they had sustained so humiliating a defeat, and accordingly the session has opened tamely. In Maine, however, the caucus policy of promoting fraud at the polls has been supplemented by a conspiracy whereby a minority Legislature is to be counted in, and a minority United States Senator and minority State officers are to be elected by the Fusion party.

The only change in the National Administration has been the appointment of Alexander Ramsey as Secretary of War in place of Secretary McCrary, transferred to the bench. The Berlin Mission was accepted by President Andrew White after it had been declined by Whitelaw Reid.

POLITICAL EPISODES.

The adoption of a Constitution in California is one of the most significant episodes in American politics. It restricts citizenship to natives or foreigners not of Mongolian blood, prohibits corporations from employing Chinese labor, regulates gas and telegraph charges, stock speculation and stock-watering, taxation of mortgages and legislative corruption, and in many other respects is the most anomalous body of laws ever framed. The political excitement in the State was increased by the debates in Congress on the Anti-Chinese bill, which was vetoed by the President on constitutional grounds, and by the attempt made by De Young, editor of a San Francisco newspaper, to kill Mr. Kalloch, the workingmen's candidate for Mayor. Another political episode was the riot in Yazoo City, early in August, when Colonel Dixon and three others, who had announced their intention of participating in the local canvass irrespectively of the wishes of the regular Democratic organizations, were waited upon by a mob, and compelled to renounce their political aspirations. Before the election Dixon resumed his place in the canvass, and was shot by one of his rivals. Two months afterward Gully, who was charged with complicity in the murder of Colonel Chisolm, was acquitted in Kemper County. During the first four months of the year 8,600 colored men arrived at St. Louis from the Southwestern States on their way to Kansas. This inter-State migration of the colored race caused a panic among Southern planters, and measures were at once taken to counteract the movement. In the Autumn the exodus was resumed, and a similar current was set in motion from North Carolina to Ohio and Indiana. Many of these emigrants were ill-prepared for the undertaking, and were utterly destitute when they arrived at their new homes. While this has been essentially a panic movement of population, its general effect has been beneficial to both races in the South.

INDIAN RAIDS.

There have been three Indian outbreaks, one of them quite serious. N. C. Meeker, the Agent at White River on the western confines of Colorado, appealed to the Government for protection against a portion of his charge, who were offering resistance to his agricultural operations. Major Thornburgh with three companies of cavalry, while on the march to the station, fell into an ambuscade, and the commander and eleven soldiers were killed. The cavalry were subsequently reinforced by a company of colored men, and the whole command was rescued by Colonel Merritt, after a forced march. When the Agency was reached on October 11, Meeker's body was found. The buildings had been burned, the white women carried into captivity and the men butchered in cold blood. The negotiations for the surrender of the murderers have not yet been crowned with success, and grave apprehensions are entertained of an alliance between the Sioux and Utes and the outbreak of a new Indian war. The other raids were those of the Cheyennes of Dull Knife's band, and of Victoria at the Mescalero Agency in New-Mexico.

THE BRITISH EMPIRE.

GREAT BRITAIN.

This has been a year of disenchantment for the English people. Their military resources have been strained by two protracted campaigns into which they were dragged against their will. Their debt-paying instincts have been shocked by a Government which has continued the practice of rolling up big bills and passing them over to its successors in office. Their patience with a policy which increases their responsibilities and multiplies their embarrassments without giving them any substantial compensation in the Mediterranean, in Asia Minor, in Afghanistan or in South Africa, is well-nigh exhausted. The Nation has begun to count the cost of Imperialism and to wonder whether it would not be better to have a Government which pays its way as it goes, albeit it may have less prestige in the diplomatic centres of Europe.

PARLIAMENTARY DEBATES.

Parliament reassembled in February, after long adjournment, the Ministry being apologetic, and the opening proceedings very tame. One of the first issues on which the parties measured their strength was the Zulu war. The Liberal resolution of censure supported the Government in all measures for defending its possessions, but expressed regret that the ultimatum had been presented to the King without the authority of the responsible advisers of the Crown, and that hostilities should have been precipitated without necessity and without adequate preparation. The Government escaped with a vote of 306 to 246 in the Commons. This majority afterward rose from 60 on Sir Charles Dilke's motion to 75 on Mr. Ryland's, pertaining to the financial policy. In the subsequent debates on the Prerogatives of the Crown, Indian Finance, and Army Discipline, the Liberals were badly led. Parliament was prorogued on August 15, after the acceptance of an equivocal Budget, the passage of a Banking act, an Irish University bill, and the Army Discipline act, and the appointment of a Royal Commission on the Sources of Agricultural Depression. While the Government has kept its majorities unimpaired, it is unquestionably weaker before the country than it was a twelvemonth ago. The municipal elections held throughout England on November 1 were unfavorable to the Conservatives, and Mr. Gladstone's triumphal progress during his electoral campaign in Midlothian, where he has undertaken to supplant Lord Beaconsfield, shows that the popularity of Lord Beaconsfield's administration is waning. Lord Hartington still retains the titular leadership of the the Liberals, but it is manifest that the rank and file of the party are anxious to enter the next canvass under the guidance of a statesman like Mr. Gladstone, who will challenge the whole system of government followed by the Administration. It is not probable that Parliament will be dissolved until the close of the session next August. Lord Derby will undoubtedly act with the Liberals in the next canvass.

INTERNAL DISORDERS.

The commercial depression in Great Britain has been very dense, and has resulted from bad trade, worse crops and an iniquitous land system. In Ireland, the discontent caused by the agricultural distress and the conditions of land tenure has culminated in an agrarian movement of considerable proportions. Charles Parnell's prominence as an Obstructionist in Parliament has enabled him to control the action of the Home Rulers, to summon a National Convention in the face of Mitchell-Henry's opposition, and to aspire to the rôle of O'Connell as the leader of the Irish masses. The recurrence of agrarian outrages, and the violence of some of the harangues made to the peasantry, impelled the Government to order the arrest of four of the chief speakers. These prosecutions have checked the disorders temporarily, at least, but have alienated from the Government the sympathies of Irish voters whose prejudices had been favored by the University bill as well as by the Intermediate Education act of the preceding year.

In March, Prince Arthur, Duke of Connaught, married the daughter of Prince Frederick Charles of Prussia. During the Autumn the sons of the Prince of Wales set out on a voyage around the world. The death of young Bonaparte in the brush of Zululand was mourned ostentatiously at Court, and the outburst of sentimentality was so strong that Dean Stanley gave his consent to the erection of a monument in Westminster Abbey. The scheme was reconsidered, however, before the susceptibilities of the French Republicans had been seriously wounded. The British Mercantile fleet has suffered from a series of wrecks and disasters during the year—the loss of the Borussia on November 20 being the most conspicuous calamity—and within a week a section of the magnificent bridge over the Firth of Tay has gone down in a storm and carried with it a railway train filled with passengers.

THE ZULU WAR.

The campaign in Zululand is one of the most flagrant crimes in British history. Under the pretext that the security of the European settlers in Natal was endangered by the hostile relations between the Zulus and the Boers, the Dutch Republic of the Transvaal had been annexed to the Crown; and within a year the peace policy which had worked so admirably since 1853 was abandoned and an ultimatum which rendered war inevitable was dispatched to Cetywayo. This ultimatum was based on the surrender of certain chiefs who had been guilty of depredations in Natal, the disbandment of the Zulu army, the abolition of the marriage law, the establishment of a British resident in Zululand, and compensation for Dutch settlers who had been compelled to abandon their farms. The main crimes of which Cetywayo was accused were the maintenance of a well disciplined standing army and resistance offered to land claims which a British commission had admitted to be utterly untenable. The real cause of war was a showy scheme of colonial confederation which Sir Bartle Frere had been sent to South Africa to carry into effect. The campaign was as unnecessary as it was unjustifiable.

The date mentioned in the British ultimatum was January 11. At that time Lord Chelmsford invaded Zululand with a force comprising 8,000 regulars, from 2,000 to 6,000 volunteers, and about 7,000 natives. As the campaign was originally planned, the objective point was to be the King's kraal at Undini, and a concentric movement was to be made by three columns, under the command of Colonel Wood, Colonel Pearson and Lord Chelmsford himself. While the commander-in-chief was reconnoitring with the main column during the last week of January, the detachment which had been left in camp was surprised at Isandula by Cetywayo's army and massacred to a man—thirty officers, 570 Europeans and 500 natives. A large convoy of military supplies fell into the hands of the Zulus. An attack upon the post of Rorke's Drift was repulsed, but Lord Chelmsford's column was compelled to retreat and active operations were suspended. Colonel Wood had a skirmish with the enemy and retired to his former encampment near Utrecht. Colonel Pearson, meanwhile, had penetrated as far as Ekowe and thrown up entrenchments, and, notwithstanding the retreat of the other columns, remained there until early in April, when the arrival of reinforcements enabled Lord Chelmsford to detest the Zulus and to relieve the garrison. On March 28 Colonel Wood, having been beguiled into a cattle raid, found himself entrapped, but cut his way out through hard fighting.

There were now at least 30,0000 British troops in the field, and the expense of the campaign was estimated at many millions. Early in June the Home Government sent out Sir Garnet Wolseley and concentrated the military and civil powers of Natal and Transvaal in his hands. Before he arrived at the front Lord Chelmsford won a signal victory over Cetywayo. He had made a reconnaissance on Ulundi from the southwest, with Newdigate's division and Wood's flying column; and after an engagement lasting one hour had routed the King's army. Cetywayo himself was captured on August 28, in the southeastern corner of Zululand by a detachment of the Dragoon Guards. His soldiers had deserted him, and his authority, which was based entirely upon his military power, was no longer recognized. Sir Garnet Wolseley, having dethroned the King and cast him into a military prison, induced the chiefs of various tribes to cease importing arms, to encourage emigration and to refer disputes to two British agents. During the remainder of the year he has been occupied in conciliating the Boers, in receiving the Pondos and defeating several warlike chiefs. Moffeat's Mountain was carried by storm in November, and Secocoeni was taken prisoner. The Boers continue in a state of great excitement.

THE AFGHAN CAMPAIGN.

When the year opened three British columns numbering 35,000 men were in motion. Roberts was attacking the Shiites in the Khost Valley, Browne was halting at Jelalabad, and Stewart was menacing Candahar. After the occupation of the Kurum Valley and Candahar, and the flight and death of Shere Ali, negotiations were opened with Yakoob Khan and the Treaty of Gundamuk was signed. By this treaty Afghanistan was reduced to the level of a tributary State without being formally annexed to the British Crown. An Envoy was admitted to the capital, and the frontier was pushed forward so as to include Khyber Pass, the Kurum and Khost Valleys and the command of Candahar. The supremacy of Great Britain was established at the expense of a subsidy of $500,000 a year for the support of a guard.

The rejoicings in England and India over the close of this brilliant campaign were premature. On September 3 several regiments of the Ameer's troops revolted, and after extorting from him three months' pay, demanded the dismissal of the British Envoy, who had been extremely energetic in protecting friendly tribes. If Yakoob Khan was not actually treacherous, he was faint-hearted in the defence of his guests. The mutinous regiments attacked Sir Louis Cavagnari, four civilians and eighty guards, and massacred them to a man. This revolt was followed by an uprising at Herat, and the conquest of Afghanistan became a military and political necessity. Stewart was ordered to remain at Candahar, Bright to strengthen his force at Khyber, and Roberts, with 5,500 men, to march on Cabul from the Kurum Valley. The transfer of baggage camels from Candahar enabled Roberts to descend the Shutargardan late in September and to occupy Cabul in October. Here he established himself as military governor and began to hang mutinous soldiers for complicity in the assault upon the Embassy. Yakoob Khan had already taken refuge in the British camp and formally abdicated. Owing to the extreme rigor of the military government—Warren Hastings himself could not have been more arbitrary in his methods—the hostility of the Afghan tribes was quickened, and before reinforcements could be received from India Roberts was confronted with 30,000 men and compelled to abandon the city and fight for his life. He finally succeeded in utterly routing them and in regaining possession of Cabul, after re-establishing his communications with his base of supplies. The situation of the British, although no longer critical, is fraught with embarrassments. Afghanistan is still to be conquered, and when once conquered it will have to be permanently occupied and administered.

INDIA.

An attempt was made late in the year to assassinate the Viceroy. It was the work of a lunatic and was apparently without political significance. He fired at Lord Lytton from the roadside, but his marksmanship was even worse than that of assassins usually is.

The British Mission was withdrawn from Mandalay after months of negotiation and menace. King Theebau was not allowed an opportunity of profiting by the example of the Afghan rebels.

While the Russians have been projecting railways in Central Asia, English engineers are actually at work on the Indian frontier. The railroad toward Candahar has been pushed rapidly, and a broad-gauge line is to be continued through Khyber to Jelalabad.

DOMINION OF CANADA.

The Conservative Administration brought into Parliament in March a Tariff act framed on the principle of protective retaliation against the United States. This act was finally passed without material modification. Sir John Macdonald, after Parliament had formally censured the official conduct of the Lieutenant-Governor of Quebec, recommended his dismissal. Lord Lorne declined to take the responsibility of such summary action, but referred the question to the British Colonial Secretary. The Home Government refused to intervene in the case, whereupon Lord Lorne appointed Dr. Robitaille as Letellier's successor.

THE GERMAN EMPIRE.

Berlin has been the diplomatic centre of Europe during the year. In January the abrogation of the fifth article of the Treaty of Prague was announced. This was the stipulation that the populations of the northern districts of Schleswig, if they ever by free vote should express the wish for reunion with Denmark, should be restored to that country. It was inserted in the treaty at the suggestion of Napoleon III., but was practically inoperative. In formally renouncing the right to enforce this article, Austro-Hungary cut out of the treaty the only clause which gave her the right to intervene in the affairs of the Fatherland. This bit of statecraft opened the way for a new combination in European politics. In September Bismarck paid a visit to Vienna, and was cordially received by the Emperor, the Archdukes, the Chancellor and the Premiers. Thirteen years after he had duped the disciples of Metternich and dictated a humiliating peace, he bound the two Empires together in an offensive and defensive league. Whether a commercial as well as a political and dynastic alliance was formed, and whether the stipulations between the two Courts were reduced to writing, are still open questions; but it is certain that henceforth the two Empires, with their 70,000,000 people and 3,000,000 soldiers, count as one in the Balkan Peninsula and on the Continent.

While old foes have become new allies, old friends have been estranged. The Austro-German League left the third partner of the Triple Alliance in the background. While the relations between the German and Russian Chancellors have been clouded since 1875, the real point of departure in the diplomacy of the Continent was the Treaty of San Stefano. From that moment the Three-Emperor League was at an end, and Germany and Austria, by race, instinct and interest, were natural allies. There has been, however, no open breach between the Russian and German Courts, and both the Czar and his sons have been assiduous in their attentions to the aged sovereign at Berlin. Whatever may be Bismarck's ulterior object, whether the equivalent for the Austrian provinces toward the Bosphoris will be the German districts on the Leithe, or whether another campaign with France is apprehended, he is the commanding figure in Europe, and with his mysterious alliances, which set all the world agog, he appeals to the patriotic pride of the Fatherland.

DOMESTIC POLITICS.

In domestic legislation the Chancellor has won a series of remarkable successes. At the outset he suffered a defeat in the rejection of the Parliamentary gagging bill, which aimed to render words spoken in debate punishable by a special commission. The Reichstag declined, moreover, to consent to the arrest and prosecution of the Socialist deputies, Fritzsche and Hasselmann, the leader of the National-Liberals declaring that the Anti-Socialist bill was not designed to cover such offences. Even more reactionary was the scheme of constitutional reform which the Chancellor unfolded after the adjournment of the Reichstag. It contemplated the substitution of biennial for annual sessions of the Legislature, and released the Government for two years from Parliamentary control over expenditures. While these measures impaired the Chancellor's popularity, the political combination which he had formed in order to carry his Tariff act through the Reichstag was too compact to be broken. Early in the year he had ordered a special Tariff Commission to revise the customs schedules, and after two months of political wrangling and hedging the Reichstag gave its consent to a radical change in the economic policy of the Empire. The majority for what was really a high tariff, although it was denominated a revenue tariff, ran up to 100, the Roman Catholic Centre, who had opposed the Anti-Socialist Bill, voting in the majority with the Conservatives, while the National-Liberals were in a hopeless minority. The Chancellor's political obligations to the Centre have not been fully met. The retirement of Dr. Falk from the Ministry was the first instalment, but the new Cultus Minister, von Putkammerer, has not made the abject surrender to the Bishops which was expected; and negotiations are still pending in regard to the form and extent of the amnesty to be granted to the ecclesiastics who have suffered from repressive legislation. If, therefore, a definite compromise has been effected between Berlin and Rome, the Chancellor has not fulfilled his engagements, and the Centre, which has supported his commercial policy, may yet desert him.

The elections for direct electors to choose Deputies to the Prussian Diet took place on September 30 and resulted in an overwhelming defeat of the National-Liberals. That faction, however, evinced its willingness to cooperate with the Government in the acquirement of State control over the railways—one of the Chancellor's favorite schemes—and renewed him independent of the support of the Centre. A bill providing for the purchase of four railways has reached its final stage in the Landtag this month, and the question of guarantees has called out very little opposition. The Chancellor finds himself at the close of the year more firmly entrenched in power than ever before. The Socialists have caused him slight annoyance, and its assurance that during the next year direct taxes will be pounced and revenue derived for the State from the purchase of private railways has served to reconcile the people to the new departures of the year. The Emperor's golden wedding has been celebrated at a period when Germany is more powerful than she has been since the days of Charles V. Alsace-Lorraine has received a government of its own and become a member of the Confederation. This trophy of the last great war does not satisfy the Fatherland. The Nation is still kept in the saddle. Year by year the army is growing more formidable.

THE RUSSIAN EMPIRE.

The anomalous condition of society in Russia still excites the commiseration of the world. On the night of March 31, notices were posted in various quarters of St. Petersburg warning the Czar that his life was only spared on the condition of his introducing reform measures. On April 14 an attempt was made to execute the judgment of the Revolutionary Committee. Alexander Solovieff, a schoolmaster, met the Czar near the Winter Palace and fired three shots from a revolver without hitting him. The assassin was seized after he had fired at his pursuers and vainly attempted to poison himself. This bold crime, coming so soon after the attempt to shoot the Chief of Gendarmerie in the open street, threw the Government into a panic. A ukase was issued placing the six districts of St. Petersburg, Kharkov, Odessa, Moscow, Kiev and Warsaw under martial law. This was a return to Asiatic methods. The barbarism of military despotism was pitted against the barbarism of assassination. The centres of population were turned into camps. The jails were filled; whoever was suspected of disloyalty was doomed to Siberia; every householder was treated like a prisoner; and the press was forbidden to criticise the conduct of officials, or even to publish the news of the day. The area of disaffection appears, however, to have widened. The immense number of fires in the Spring and Summer indicated that the Nihilists had exchanged the dagger for the torch; and on December 2 a most diabolical attempt was made to blow up the train in which the Czar was approaching Moscow. The Imperial train had overtaken and passed the baggage train, and escaped the explosion by which the latter was destroyed.

This outrage occurred at a time when the sovereign was contemplating an important reform measure. This was the convocation of a body of unofficial advisers to assist him in the Government. These councillors were not to be invested with executive functions, but were to be chosen in part by the direct suffrage of the peasantry and middle classes. This would be an approach to a National Parliamentary system. Elaborate reform schemes have been set before the public, but it is extremely doubtful whether any immediate change in the iron-bound system of repression is to be made. The only encouraging feature in the situation is the fact that the Nihilists now have definite aims, and do not waste their energy in simply striking down those who oppose them.

The province of Kuldja has been retroceded to China. This cession was demanded by the conqueror of Kashgar on the ground of an agreement made some time ago. Russia received $2,500,000 for the grant. The Trans-Caucasian expedition in the direction of Merv has met with a disastrous termination. It cost as much as 8,000,000 roubles before it started from Tchikislar, and the column has turned back utterly disorganized after battling with disease, the climate and the enemy. The attempt to capture the Tekke stronghold at Denghil Tepe on September 8 was an utter failure. The enemy repulsed every attack, and finally assumed the offensive and made so fierce an onslaught that the Russians were forced to retreat during the night. Of the 30,000 men who left the sea only 1,400 remained in line. The outbreak of the plague in the Wetlanka district of the Volga early in the year caused alarm even in Germany and Hungary, where rigid quarantine precautions were taken on the frontiers, but the ravages of the disease were confined to a thinly populated district. The prestige of Russia has declined in Europe since the negotiations between the Courts of Berlin and Vienna, but in the Balkan Peninsula, and especially at Constantinople, its influence is stronger at the end than it was at the beginning of the year. All attempts to unseat the aged Chancellor have proved futile, and he remains the most powerful and independent of the Czar's advisers.

THE OTTOMAN EMPIRE.

Signs of the impending dissolution of the Ottoman Empire have multiplied. The floating debt already exceeds $250,000,000, in the form of loans from bankers at high rates, and a new loan cannot be negotiated. The Empire is utterly impoverished; the revenues are squeezed dry. Khaireddin undertook early in the year to introduce measures of administrative reform and to establish a Constitutional Ministry; but the Sultan, after consulting with the Ulemas, dismissed him in August and abolished the title of Grand Vizier. The office was restored on October 18, when the administration was entrusted to Mahmoud Nedim Pacha, a friend of the Russians. Hitherto British influence had been supreme at Constantinople, and the change of policy met with resistance and open menaces from London. The flourish made with the fleet was meagre in its results, for the only concession made by the Porte to England was the appointment of Baker as commander of a gendarmerie in Asia Minor that has not been enlisted.

The influence of the Russian Government has steadily increased. In March, a treaty was negotiated whereby the war indemnity was fixed at $160,000,000, but no provision was made for its payment. The evacuation of the Adrianople district began almost immediately, but the withdrawal of troops from Eastern Roumelia was deferred until the administration was organized. The British Government complained of the encouragement given by Russian agents to the agitation for the annexation of the province to Bulgaria, and after a scheme of joint occupation by the Powers had been abandoned, Prince Vogorides, a Bulgarian Greek, was appointed Governor. Under his administration peace has been restored, but owing to his own preferences and to the emigration of Mussulman families, Russian and Bulgarian interests are making headway.

The Austrian conventions with the Porte relating to the occupation of Bosnia and Novi-Bazar recognize the sovereign rights of the Sultan, but the districts have practically been annexed to the Northern Power. The Montenegrins have been put in possession of Spuz and Podgoritza, but skirmishing still continues on the Albanian frontier. The Porte has refused to come to terms with the Greeks within the lines recommended at Berlin. France has taken up the cause of the Greeks and appealed to the Powers to enforce their will, but the negotiations in regard to the cession of Janina have been renewed only to be broken off.

EGYPT.

Asiatic rule was reëstablished in Egypt early in the year. The Khedive was irritated by the energy and zeal of his European counsellors, and after a mob had surrounded the palaces of the Ministers, he turned his Premier, Nubar Pasha, out of office, and after dismissing the English and French members of his Cabinet organized another from his own subjects. France resented the violation of the Khedive's pledges. Germany, Italy and Austria united with Waddington's Government in demanding the abdication of Ismail, and Great Britain finally acquiesced in the movement. Pressure at Constantinople induced the Sultan to depose the Khedive and make his eldest son his successor. Mehemet Tewfik ascended the throne on June 26. From the participation of the Powers in this force policy England has lost her ascendancy on the Nile. There has been no marked improvement in internal administration. The King of Abyssinia menaces Egypt with a campaign, and evinces a determination to conquer Massowah. All efforts to suppress the slave trade are likely to be abandoned.

AUSTRO-HUNGARY.

This has been a year of political transformation in one half of the dual monarchy—the half which has the weaker national life, owing to the composite character of its population and the absence of a dominant race. In the Austrian elections during August the Liberals were overthrown by a coalition of political groups, and a new cis-Leithan Ministry was formed under Taafe. Count Andrassy's resignation was held in abeyance from August to October, when it was finally accepted and Baron von Haymerle was appointed Minister of Foreign Affairs. The Conservative Cabinet has had uniform support from the coalition in the Lower Chamber, but in the Upper House it has been successfully resisted. The most important debate in Parliament was called out by the military budget, and the suggestion that the army should be reduced has not been acted upon.

The conquests in the Balkan Peninsula have been extended by the occupation of Novi-Bazar. About 5,000 troops entered the district on September 8 and encountered no resistance. The alliance with Germany has given Austria increased influence on the Continent. The commercial relations between the two Empires under this compact are still undetermined. The Emperor of Austria has celebrated during the year his silver wedding. In Hungary there has been a terrible calamity. The loss of life from the inundations at Szegedin was very great, and 60,000 persons were deprived of homes.

THE FRENCH REPUBLIC.

In the Senatorial elections of January 5 the Republicans carried the last stronghold occupied by the Reactionary factions. There were 82 vacancies, 75 of which were due to the retirement of one-third of the members. The Conservatives were successful in 16 and the Republicans in 66 districts. The majority of the Republicans in the upper house was 54, the minority numbering 123, of whom 60 were Legitimists, 35 Orleanists, and 26 Bonapartists. When the Constitution was framed the organization of the Senatorial electorate was complex, and as a large majority of the electors represented the most conservative bodies in France, the Monarchists confidently expected to retain control of the upper house, and to obstruct the progressive policy of the lower chamber. The Senate has become a citadel of the Republic.

The attack on the Cabinet made in January was led by M. Senard, but Premier Dufaure was supported by the Republican press, and a vote of confidence was passed. President MacMahon, being unable to accustom himself to the new ideas, and being fully convinced that France was on the downward track and close to the abyss, objected to displacing Bourbaki and other commanders who were distrusted by the Republicans. He was at once menaced with the impeachment of the De Broglie Ministry, and on February 27 his resignation was sent to the Chambers. The houses met immediately in joint convention, and elected Jules Grévy by 536 votes out of a total of 670 present, General Chanzy receiving 99. Gambetta was subsequently elected president of the Assembly by a vote of 405 to 314. The Dufaure Ministry resigned, and a new one was organized under Waddington, with Jules Ferry as Minister of Public Instruction. Marcère was soon forced to give place to Lepère, one of Gambetta's disciples. The impeachment of the Ministers of the 16th of May, when made a Cabinet question, was voted down, and the Ministry, with slight changes, remained in office until late in December, when their resignations were placed in the President's hands. The new Premier is Léon de Freycinet, who was Minister of War under Gambetta's dictatorship. He is an enthusiastic Republican and a statesman of stronger character than his predecessor. The Cabinet as reorganized represents the pure Left, but is made up of moderate men.

The National Assembly met on June 10, and decided by a large majority to abrogate the article of the Constitution prohibiting the Chamber from meeting in Paris. When the Legislature assembled on November 27, the Assembly occupied the Palais Bourbon and the Senate the Luxembourg. The most exciting debates of the year have related to amnesty and public education. The Education Law introduced by Minister Ferry gives the Senate a monopoly of degrees, and at the same time strikes a blow at the Jesuit Colleges. This law has not passed the Senate, owing to the powerful efforts made by Jules Simon to defeat the measure. This measure will not be likely to promote the cause of undenominational education. It would be a proof that the Republicans regard with unessiness the increasing popularity of institutions which are controlled by their worst enemies—the religious orders, and especially the Jesuits. It cannot be doubted that it will be unwise to interfere with the rights of religious bodies to conduct their own schools and to confer degrees upon their own students. A wiser policy would be the elevation of the State and free lay schools to a higher level of efficiency.

The death of Louis Bonaparte in Zululand on June 1 has given Imperialism a staggering blow. The Senatus Consultum of 1870 gave the succession to Prince Napoleon, the son of Jerome, but a codicil of the dead Prince's will named the son Prince Victor as his political heir, in place of the father. The leaders of the faction did not venture to disregard the law of succession, but acknowledged Prince Napoleon as the head of the party. His unpopularity with the clerical element renders any assertion of his claim to the throne a remote contingency. The Legitimists held several banquets on the feast of St. Michael, and there was a great celebration at the Château de Chambord, but there were neither Bonapartists nor Orleanists present.

While the dangerous tendencies of Radical Republicanism have been repressed during the year, the relations of the President and his Cabinet to each other and to the Chambers are still in the anomalous state in which they were left by the framers of the Constitution. An approximation will ultimately be made either to the American or to the English system, and Gambetta will be either President or Premier, in accordance with the changes effected in the Constitution. Meanwhile there is a stronger Premier to fill the gap at the end than there was at the opening of the year.

ITALY.

The Pope issued early in the year an encyclical denouncing Socialism and Nihilism, and attributing these evils to the teachings of the Reformation. In August he published another encyclical presenting the writings of St. Thomas Aquinas as the source where Catholic teachers should derive suggestions in dealing with the religious difficulties of the time. Of the nine Cardinals appointed with Dr. Newman, only three were Italians. A modus vivendi with the German and Italian Governments has been sought with patience and tact, and in the negotiations with the Belgian Ministry Leo XIII. and Cardinal Nina have shown singular caution and moderation. The present occupant of the Papal throne is more diplomatic, if not more subtle, in his methods than his predecessor was. His policy would be described by Gambetta as ecclesiastical opportunism.

One of the scandals of the previous pontificate has been brought to a close in the courts during the year. This was the rejection of the Countess Lambertini's claim to a share in Cardinal Antonelli's estate. The final decision rested on the ground that as a sacreligious child she would be entitled to nothing, even if her case were well founded. There have been two political crises during the year, but in each instance the Cabinet has been reorganized without difficulty.

SPAIN.

There has been another Royal marriage in Madrid. The necessity of putting the succession to the crown on a more satisfactory basis than it stands at present, shortened the days of mourning for Queen Mercedes, and induced Alphonso XII. to make a formal demand for the hand of the Austrian Archduchess Maria Christina, granddaughter of the popular Palatine Joseph. The marriage was celebrated in Madrid on November 29. This union of the reigning head of the Spanish Bourbons with a Princess of the Hapsburg-Lorraine house was apparently devoid of political significance. Yet it was not a great while ago that the candidature of Prince Leopold plunged two great nations into the abyss of war and opened the way for the establishment of a Republican government in France.

The Spanish Government has made an effort to grapple with the Cuban question. The Premier Martinez Campos, who had been Governor of the island, and had promised the Cubans to do what he could to redress their wrongs, endeavored to fulfil his pledges when he entered upon office early in March. A bill was finally introduced in the Cortes, effecting salutary administrative reforms, modifying the oppressive